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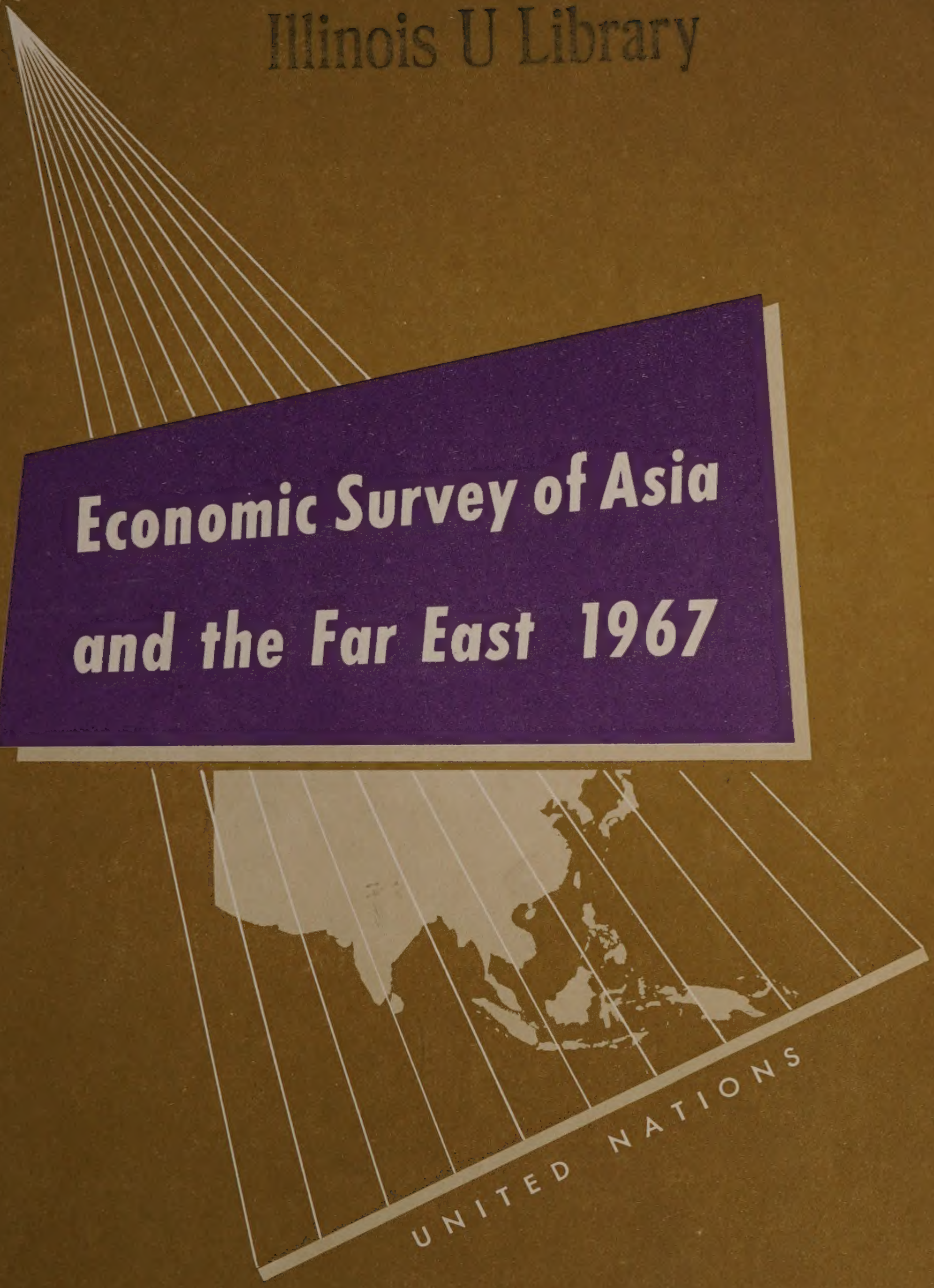

UNITED NATIONS

# ECONOMIC BULLETIN FOR ASIA AND THE FAR EAST

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# ECONOMIC SURVEY

# OF

# ASIA AND THE FAR EAST

# 1967

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## UNITED NATIONS

## ECONOMIC BULLETIN FOR ASIA AND THE FAR EAST

Beginning with the ninth volume, for 1958/59, the *Economic Bulletin for Asia and the Far East* is issued quarterly, in June, September, December and March (instead of May, August, November and February). The March issue contains the annual *Economic Survey of Asia and the Far East.* The June and September issues contain articles and notes on subjects related to the Asian economy. The December issue features special studies and reports relating to economic development and planning. All four issues include a compendium of Asian economic statistics.

The *Bulletin* is prepared by the secretariat of the Economic Commission for Asia and the Far East and is published entirely on the responsibility of the secretariat. The designations employed and the presentation of the material in this publication do not imply the expression of any opinion whatsoever on the part of the secretariat of the United Nations concerning the legal status of any country or territory or of its authorities, or concerning the delimitation of the frontiers of any country or territory.

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Since the 1957 issue, the *Economic Survey of Asia and the Far East* has, in addition to reviewing the current situation of the region, contained a study on some major aspect, or problem, of Asian economy as below:

| | |
|---|---|
| 1957: | Postwar problems of economic development |
| 1958: | Review of postwar industrialization |
| 1959: | Foreign trade of ECAFE primary exporting countries |
| 1960: | Public finance in the postwar period |
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| 1964: | Economic development and the role of the agricultural sector |
| 1965: | Economic development and human resources |
| 1966: | Aspects of the finance of development |
| 1967: | Policies and planning for exports |

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# PREFACE

The present *Survey* is the twenty-first in a series of reports prepared annually by the secretariat of the Economic Commission for Asia and the Far East. A major object of these *Surveys,* and of the quarterly *Economic Bulletins,* is the analysis of recent economic developments in the countries of Asia and the Far East, and of international developments that affect them. Particular attention is paid to the analysis of economic policy and of policy issues.

It has been the established practice since 1957 to examine in the annual ECAFE *Survey* a specific problem relating to the economies of the region, in order to study long-term trends and their implications for national policies. The present *Survey* contains, in Part One, a study of export planning and policy; this is followed by Part Two in which the economic developments in the ECAFE region in recent years, particularly in 1966 and 1967, are reviewed on the basis of information available to the secretariat at the time of completing the *Survey* (March 1968).

The Survey is published on the sole responsibility of the secretariat and the views expressed in it should not be attributed to the Commission or Governments of member countries.

Bangkok, March 1968.

# EXPLANATORY NOTE

The term *ECAFE region* is used in the present issue of the *Survey* to include Afghanistan, Australia, Brunei, Burma, Cambodia, Ceylon, China (Taiwan), Hong Kong, India, Indonesia, Iran Japan, the Republic of Korea, Laos, Malaysia, Nepal, New Zealand, Pakistan, the Philippines, Singapore, Thailand, the Republic of Viet-Nam and Western Samoa. Unless otherwise specified or made clear in the text, it excludes mainland China, Mongolia, North Korea and North Viet-Nam, all centrally planned economies for which adequate information or comparable statistics are not available. Malaysia includes the territories of West Malaysia (the former States of Malaya) and East Malaysia (Sabah and Sarawak), so that statistics relating to previous years often have to be given for these member countries separately. There are also cases where national figures of previous years are combined to compare with those of late years. The term *developing ECAFE region* excludes Australia, Japan and New Zealand.

Unless otherwise stated, all statistical tables are compiled by the ECAFE secretariat on the basis of data published by governments and the United Nations and its specialized agencies.

Reference to "tons" indicates metric tons, and to "dollars", United States dollars, unless otherwise stated.

The term "billion" signifies a thousand million.

Three dots (...) indicate that data are not available or are not separately reported.

A dash (—) indicates that the amount is nil or negligible.

A blank in a table indicates that the item is not applicable.

A hyphen (-) between dates representing years, e.g. 1950-1960, is used to signify the full period involved, including the beginning and end years.

A slash (/) indicates a crop year, fiscal year or plan year, e.g. 1961/62.

The plan years of the ECAFE countries coincide with their fiscal years as given in the table below, except in the case of China (Taiwan), where the plan year coincides with the calendar year.

In respect of information given, the countries listed below have generally been included, subject to limitation of data.

| *Country* | *Fiscal year* | *Currency and abbreviation* | *United States cents per unit of currency at end of December 1967 (selling rate)* |
|---|---|---|---|
| Afghanistan | September to August since 1956/57 | Afghani (Af) | 2.222[a] |
| Brunei | January to December | Malaysian dollar (M$) | 32.57 |
| Burma | October to September | Kyat (K) | 20.83 |
| Cambodia | January to December | Riel (Ri) | 2.857 |
| Ceylon | October to September | Rupee (Rs) | 16.84 |
| China: Mainland | January to December | Yuan | 50.00[b] |
| Taiwan | July to June since 1954/55 | New Taiwan dollar (NT$) | 2.494 |
| Hong Kong | April to March | Hong Kong dollar (HK$) | 17.30 |
| India | April to March | Rupee (Rs) | 13.25 |
| Indonesia | January to December | Rupiah (Rp) | [c] |
| Iran | 21 March to 20 March | Rial | 1.320 |
| Korea, Republic of | January to December since 1957 | Won (10 Hwan) | 0.365[d] |
| Laos | July to June since 1957/58 | Kip (Kp) | 0.417 |
| Malaysia | January to December | Malaysian dollar (M$) | 32.57 |
| Mongolia | January to December | Tugrek | 25.00[b] |
| Nepal | 16 July to 15 July | Nepali Rupee (Rs) | 9.877[e] |
| Pakistan | July to June since 1959/60 | Rupee (Rs) | 20.95 |
| Philippines | July to June | Peso (₱) | 25.51 |
| Singapore | January to December | Singapore dollar (S$) | 32.57 |
| Thailand | October to September since 1961/62 | Baht | 4.81 |
| Viet-Nam, Republic of | January to December | Piastre (Pr) | 0.847[f] |
| Western Samoa | April to March | Samoan dollar (WS$) | 137.33[g] |
| Australia | July to June | Australian dollar (A$) | 111.70 |
| Japan | April to March | Yen (¥) | 0.276 |
| New Zealand | April to March | New Zealand dollar (NZ$) | 137.33[g] |

[a] Par value starting 22 March 1963. Free rate: 1.3335 cents.

[b] Basic rate according to United Nations, *Monthly Bulletin of Statistics*.

[c] Since 20 December 1965, the official transaction rate was 10 new rupiahs per US dollar. The principal import and export rates, however, fluctuated between 80 and 120 new rupiahs per US dollar.

[d] The rate of one won to 10 hwan was established on 9 June 1962. For details, see IMF, *International Financial Statistics*.

[e] Par value rate effective from 11 December 1967.

[f] Mid-point rate.

[g] End of October.

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# INTRODUCTION

## 1. The Economic Situation in Developing Asia

Viewed in terms of regional economic arithmetic, the developing ECAFE region improved in 1967 on the poor pace of growth of the preceding year. Some countries grew at lesser rates than in 1966 but among them there are three countries whose economies have been growing in recent years at rates well above the regional average: Malaysia, the Republic of Korea and Thailand. 1967 witnessed a recovery of the national product in India and in all probability a higher growth rate in Pakistan. China (Taiwan), the Philippines and Ceylon also grew at faster rates than in 1966. In Indonesia, stabilization appears to have met with a good measure of success, but this may have been purchased at the expense of growth of output in 1967. Taking the region as a whole, the increase in gross domestic product may have risen from about 4 per cent in 1966 to a little above 8 per cent in 1967. Because of the weight of India in this average, the rate contains a large element of recoupment.

1967 was also a year of improved price stability. Apart from a deceleration of price increases in the inflationary economy of Indonesia, prices declined or steadied in India and Pakistan. In Ceylon and in China (Taiwan) the price levels remained stable. In the economies which grew at a lessened rate in 1967, the upward movement of prices appears to have been halted in Thailand while it remained limited in Malaysia and declined, in terms of the annual percentage rise, in the Republic of Korea. With few exceptions, therefore, prices rose only little and some instances of rising prices may simply be interpreted as reasonably well-controlled adjustments to agricultural scarcities.

The faster rates of income growth and the approximate maintenance of several high rates of growth, together with stability in the financial and price sense, are most welcome. Whether they will persist in 1968 and whether they reflect the action of persistent factors are difficult questions. The answer on the basis of the experience of 1967 is peculiarly difficult because of the operation of temporary forces such as the hostilities in Viet-Nam which have a stimulating effect on several economies, or the recovery in the agricultural sectors of certain economies which is not easily divisible into trend and fluctuation.

The year 1967 was emphatically one of recovery in the short-term sense; a recovery of the agriculture of certain countries and a less pronounced recovery in their industrial sectors against which must be set the dampening of industrial growth in certain countries of southeast and east Asia. In the context of the longer-term process of economic growth, however, the meaning of the recovery and the antecedent deterioration is a matter for economic interpretation. A numerical extrapolation into the next few years of the movement of revival in 1967 seems as doubtful as the view that the recovery of 1967 means a return to the *status quo ante* in terms of the capacity to grow. While the recovery of 1967 restored the annual *flow* of aggregate output in the region as a whole to earlier levels and even raised it higher, economic growth depends to a large extent on the accumulation of a *stock* of resources. The sequence in several economies of relative slump and recovery, and the accompanying reduction in the rate of capital accumulation means that time has been lost: the loss of agricultural output and subsequently of industrial production acts like an abrupt increase in the economies' rate of depreciation which can only be made good through a relatively larger accumulation out of recovered national products. An accelerated rate of accumulation, however, is not now certain because of changes in economic policy which were undertaken in some countries under the impact of the retardation of 1965 and 1966, and because the expansion of industrial capacity has slowed down. The recovery of the rate of growth of manufacturing must of course be expected to lag behind that of agriculture unless public policy fosters it more energetically than has recently been the case in several Asian countries. But to the extent that the growth of manufacturing is a crucial component in the process of Asian economic growth, the recovery of 1967 does not yet seem to be complete except in the sense of statistical aggregates. The loss of time, while population has been growing apace, thus means that irrespective of the percentage rates of growth, target levels of output, and, *a fortiori*, target levels of output per head of the populations, will take longer to reach. Lastly, even if the recovery of 1967 leads to a full reconstitution of the Asian capacity to grow at the earlier percentage rates, this occurs at a time when the international setting for growth, in terms of world demand and the prospect of aid, is a good deal inferior than it was at the time that the retardation set in.

Agriculture, in its double role as a source of food and of foreign exchange, has rather fractiously played a key role in the economic developments of the past three years. The recovery of the Indian economy in 1967 and the somewhat earlier recovery in Pakistan are associated with improved agricultural output. The wave of agricultural reverses due to droughts, typhoons and other calamities touched a different group of Asian economies in 1967. China (Taiwan), Indonesia, the Republic of Korea and Thailand were all affected, the last three to an extent that is reflected in lower rates of over-all growth. The sensitivity of the developing Asian economies to shortfalls of food production has been brought home by way of immediate experience to a great variety of the countries. The response has been a new concentration on agricultural development, a set of new agricultural strategies like those of India and Pakistan, which has occasionally involved the rephasing and the revision of the content of development plans. Other forms of activity had in the short run to be cut down anyway, either because of an inability to control the price level by direct measures or because foreign exchange earnings and aid receipts had to be diverted to pay for food imports. In India, imports of cereals in 1966/67 accounted for 30 per cent of the value of imports (and for 22 per cent in 1965/66), or 53 per cent of the revenue from exports. In Pakistan, 15 per cent of imports in 1966/67 consisted of cereals, equal to 26 per cent of total export revenue,[1] and similarly in Ceylon where cereal imports formed 29 per cent of imports in January-September 1967,[2] or 32 per cent of export revenue.

Renewed concentration on agricultural development can be noticed from the middle of the decade onwards. The search for a better agricultural technology, such as improved seeds, has gained momentum with the first successes, even though these are often still experimental, and with a growing awareness of the willingness of farmers to respond to the profit motive. The effects of changes in the ranking of development priorities which have been the response to agricultural mishaps in several countries are not yet easy to assess. If agriculture continues to respond slowly to development effort, a steady advance for the next few years may be hoped for, till the basic technical structure of agricultural practice allows more rapid advances. In the meantime, a redeployment of scarce resources in the direction of agriculture presents a strong argument for the introduction or widened application of planning and projection techniques as tools to quantify and control the new balance of development that is being produced. With perhaps less resources for activities that had high priority before agriculture became obstreperous, a strict accounting of resources and the relative productivity of their uses is necessary.

The second role of agriculture, as the provider of foreign exchange, has been affected by the widespread and still unreversed fall of commodity prices. Rubber, cotton and jute and tin have suffered more or less seriously and the price of tea stayed in 1967 at the low level which it reached in the preceding year. The increasing prices of rice, sugar and copra could not, on the whole, offset the impact on the exports of Asian countries. The lowered prices still show little sign of moving up and the falls in the prices of some commodities (e.g. rubber) were so steep as to raise the possibility of a downward trend which is steeper than it appeared on the evidence till 1964/65.

While the growth rate of exports declined further in 1967, imports which had begun to mount sharply in 1966 continued their growth in the following year. The region as a whole thus had a larger trade deficit. The main focus of the growth of imports in 1966 was a limited number of countries, mainly in southeast Asia, several of whom felt the economic stimulus of hostilities in Viet-Nam. In 1967, the increase of imports was more widely dispersed. The increasing deficits were covered by aid disbursements which were relatively large in 1967, and by the use of reserves. The rate of new commitments of aid was slowing down somewhat in 1967, and the immediate future of aid is not promising. Taking account of this and of a generally lessened rate of export growth together with many instances of larger trade deficits, several countries may have begun in 1967 to restrict the pace of imports directly or by general policies. Given the time lags of policy, this would lead to a better balance between exports and imports in 1968, except to the extent that counterbalancing factors may operate in the international setting.

The growth of world trade slowed down appreciably in 1967, and with it also the exports and imports of the industrial countries. The growth rate of the member countries of OECD appears to have been about 2.5 per cent: some 2 per cent in western Europe and 2.5 per cent in the United States. In addition, the ever more frequent disturbances in the international monetary system affected the United States and the United Kingdom—the key currency countries—and strengthened the deflationary forces within the latter while calling forth restrictive policies in the former. In Japan, the rapid growth of business activity in 1967 was associated with a heavy deficit in the over all balance of payments. The January budget sought to meet this situation by measures to restrain business and to re-establish gradually an external balance. The effects of British deflation and devaluation and of the restraint on capital outflows from the United States and on imports into or on the account of the United States are likely to impede Japanese foreign trade and payments in 1968. The external sector of the Japanese economy will thus be all the more sensitive to a possible cessation of the war in Viet-Nam unless this is followed quickly by an expansion of American imports and easier conditions in the international markets for short-term borrowings. The potential impact of an export drive and of restraint on imports into Japan falls on the one hand upon those countries, mainly in east and southeast Asia, which now depend much on exports to Japan[3] and, on the other hand, on the producers in developing Asia of manufactures, particularly light manufactures, in which Japan remains the main international competitor; and, lastly, on the prospect of Japanese offers of aid in 1968.

---

[1] 9 and 14 per cent respectively in 1965/66 when supplies were short.

[2] 17 and 13 per cent respectively in 1965; in 1966 the proportions rose half-way to their level in 1967.

These retarding factors should be balanced by the expected expansion in Continental Western Europe. Rubber, jute and cotton in particular, and tin and tea to a smaller extent, would benefit from a quickening economic activity in the Common Market countries.

On balance, and on a cautious view, international trade in 1968 is likely to remain rather stagnant, and this will carry deflationary impulses to developing countries. The effect of the monetary events of 1966 and 1967 on the offer of aid for 1968 are also obvious. Given the widely followed trend towards import liberalization in the developing countries of Asia, a deterioration of the balances of trade and capital movements may in some cases compel policy restraints on the rate of development. In view of the quite widespread reallocation of resources to agriculture, an unsatisfactory development of trade and aid would in these circumstances lead to a retardation of industrial expansion and investment, especially in countries at earlier stages of industrialization or in those where the shift of resources to agriculture is particularly marked. Growth in later years may then be prejudiced by the events of 1968.

* * *

The development of agricultural output, of exports and of aid was considered above as reflecting the state of some of the basic inputs into development. As such they form chief topics of economic policy. Later sections of this introduction discuss export policy and the position of aid in 1967. The utilization of resources for development is a separate compartment of economic technique and policy within which the past two years have seen significant though still uncompleted changes. These are discussed in the final section. The economic repercussions of the hostilities in Viet-Nam affect a group of Asian countries, all with rather high rates of recent growth and tending towards relatively liberal trading. When the cessation of hostilities is achieved, several Asian economies will face problems which are discussed in a further section.

In the international setting of 1967 and that which was tentatively forecast for 1968, the relative scope of national and international action to secure economic development needs clarification. The answer should depend to a large extent on what are considered the most oppressive constraints on growth in individual cases. Aid and trade cannot be substituted for one another at will to achieve the same effect. But if aid is inadequate, a freeing of access to export markets may still help many countries. National export or exchange rate policies, again, depend for their success to some extent on international understanding and agreement and this may need to be formalized just as the restraint on cotton exports was. Recent experience of international action, in the Kennedy Round negotiations, brought little comfort to developing countries. The least that must be hoped for in 1968 is a settlement of those international economic issues which tend to spread deflationary impulses and which have already affected the resource position of developing countries.

## 2. Policies and Planning for Exports[4]

For the developing ECAFE region as a whole, primary commodities failed most conspicuously to act in recent years as an engine of economic growth. The recovery of the rate of economic growth which characterized the region's experience in 1967 went hand in hand with low or falling commodity prices and a declining rate of growth of exports. The economies with the greatest export-dependence were worst hit by the course of commodity markets. As is usual in such phases, the highly competitive nature of primary commodity production for exports is harshly exacerbated. Considering the longer period, 1955 to 1966, it appears that the developing ECAFE region suffered declines in its shares in world exports in each of three broad classes of commodities in world trade which include within them the traditional primary products of the region.

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[3] China (Taiwan) (24 per cent of exports in 1966), Indonesia (20 per cent), Malaysia (48 per cent), the Republic of Korea (26 per cent), the Philippines (33 per cent) and Thailand (21 per cent).

[4] This section draws on the discussions of Part One of the present *Survey*.

While this might be labelled a loss of competitive position, the term has overtones which suggest too simple an explanation of the failure of exports. The loss of share is only in part due to a failure to offer supplies at what were on the whole declining prices, in competition with the producers of similar commodities in developed countries and in other developing regions. In addition, protection in the European market for temperate zone products discriminated against Asian supplies, and demand shifted within the specified commodity groups to products which were not at all or not significantly represented in Asian production. Moreover, world demand for these classes of commodities failed to grow in the same proportion as total world exports. The interaction of shifts in world demand and of a declining Asian position within important commodity groups can be disentangled in various ways but a simple calculation brings home the development within the traditionally important trade in crude materials. The value of such exports from the developing ECAFE countries was $2,610 million in 1965. The share of this commodity class in world exports declined between 1955 and 1965, and so did the share of the Asian exporters in the total of this commodity flow. Had the shares of the Asian countries remained at the 1955 level, the 1965 volume of world trade in crude materials would have yielded them a revenue of $4,020 million. On the other hand, had the commodity class maintained its share in world exports at the 1955 level, the present market share of the Asian exporters would have earned them $3,670 million. While either result would have been better than the actual one, the greater loss is due to the decline in the countries' shares.

On the balance of all commodity groups, however, the greater damage appears to have been done by the way in which world demand changed, rather than by the loss of market position within the various classes of exports.

This is the broad regional background for the problem of adapting export production to the pattern of international demand. The failure to adapt better explains much of the apparent dominance of the structural effect (shifts in world demand) over the competitive effect (declining shares in the various groups of world exports) in the retardation of Asian exports. Individual countries did, of course, manage to increase their shares in commodity classes that were declining in world demand but this is likely to have been frequently at the expense of other Asian exporters, in the mentioned process of export competition. But for the region as a whole it proved possible to raise the share of its exports only in those categories in which world demand rose faster than on the average of all traded goods, namely in manufactured exports. It is true that Asian manufactured exports are highly concentrated in a few products, some of which (textiles) were proportionately declining in world trade. But the counter-adaptation in the importing markets is easier if it is undertaken in sectors within which the mobility of the factors of labour, management and capital and the general rate of growth are as high as they are in manufacturing. The fact that this adaptation of exports could not be carried further does, of course, reflect in part the non-market resistance into which Asian textile exports ran in the past ten years.

Domestic planning and export policy, based on a variety of old and new techniques, have the object of adapting production to world demand and of regulating supplies and prices in such a way as to stimulate exports and make the best of given export demands. International action, on the other hand, is called for to remove impediments to the growth of new and the further development of traditional exports. Economic development is, after all, difficult enough without having to be burdened by the additional task of developing new export products while more traditional outputs are available but either hampered in their access to foreign markets or subjected to sharp declines in value due to the periodic failure of demand which price cuts of competing producers are not able to cure.

National policies to induce exports of domestically-produced goods—the planning of new production is a different activity in which a variety of techniques are being tried out[5] — and to achieve the optimum income from exports in the face of varying prices and demands are discussed in chapter II of Part One of this *Survey*. Practically all developing Asian countries use a limited range of fiscal policies, from the manipulation of business taxation in favour of export activity to differentiated export taxes and subsidies. The replacement of a variety of other taxes by a value-added tax with provisions for the exemption of exports is one of the few current additions to the basic stock of ideas. The most general questions which are raised by these fiscal instruments are, firstly, their selectivity and, secondly, their consistency with one another and with the general lines of economic and development policy. The multiplication of fiscal inducements may have low marginal returns, because of inconsistency. A well thought out system of taxes or tax plan is overdue in most countries if there is to be greater rationality in the fiscal pursuit of objectives which must themselves be investigated for their consistency. The latter requirement points to the need to consider taxation, and the export inducement and income optimization which it should achieve, in the general context of economic policies and plans.

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[5] Cf. Appdendix to chapter I of Part One of this *Survey*.

Further policies pivot on the rate of exchange.[6] They include notably the systems of multiple exchange rates and the combination of multiple rates with free sub-markets for foreign exchange. The export bonus voucher system of Pakistan which has attracted such great interest and represents a type that is or was fairly widely used in Asian countries, exemplifies the latter system.

As in the case of fiscal inducements, the choice of the degree of incentive that is to be given through a multiple exchange rate system is one of the main economic problems of the policy. The elasticity of demand for the product is not always a good guide unless it is combined with estimates of the expected productivity: successful retaliation by competing producers is otherwise very probable. A problem of similar complication is how to order the access of different types of imports to different rates of exchange. The least essential imports are directed to the free market. This is an obvious principle but it must be combined with control over domestic production if the stimulus to import substitution is to be checked. One of the merits of the system is that it transfers to the exporter directly, that is without the precarious intervention of taxation and public funds, the profits that arise from an excess demand for imports; as an incentive for exporting they are thus correctly placed. A further merit consists in the relative independence of multiple exchange rate systems in their various guises from other forms of economic control.

An interesting feature of the regional experience with multiple exchange rate systems when combined with partial free markets is the general unwillingness of the authorities to let rates fluctuate very widely. So also is the trend from multiple systems to unitary ones and from the operation of partial free markets to fixed rates. The question arises to what extent such practices of close intervention and such trends are based on an economic and undoctrinaire interpretation of the experience in these countries.

On the international level of action, methods to raise the exports of developing countries which are currently attracting particular interest include commodity agreements for primary products and trade preferences for manufactures or processed commodities. Trade preferences which are discussed in chapter III of Part One of this *Survey*, are of particular concern to the developing countries of Asia because processed and manufactured goods occupy a larger share of their exports than of the exports from other developing regions. These exports have, furthermore, increased more rapidly than those of primary goods, indicating availability and a measure of productivity which promises to make preferences within the available limits of existing tariff rates a fruitful means of calling forth further and more diversified supplies. Lastly, the operation of three preferential trading systems which include different Asian countries also demands that new systems of preference by developed countries be carefully adjusted so that no loss should occur to Asian countries through the superimposition of the new over the old schemes.

Preferences granted by developed countries without reciprocity would presumably be most fruitful, even after the reductions undertaken in the Kennedy Round, for light manufactures. Where quotas continue to restrict the imports from developing countries, the result of the preference could, of course, be no more than a limited transfer of resources from the developed countries. In the case of other commodities, the effect of preferences on the balance of payments might be slight, but greater on the volume and quality of industrial output.

Australia offers the first example of preferences given unilaterally by a developed country to developing countries, and notably to the countries of Asia. The results of this scheme are still difficult to assess, but Australian imports of manufactures from developing countries during the first nine months of 1966/67, following the introduction of the scheme, rose 5 per cent while imports from developed countries declined steeply in the same period. A notable feature of the scheme is the use of preference quotas which graduate preferences according to the volume of imports; and the exclusion from preferential treatment of developing countries in respect of those of their exports which have already gained a significant foothold in the Australian market.

Intra-regional preferences could in principle be so designed as to be wholly at the expense of imports from developed countries; but this would greatly limit their scope if the loss from trade diversion (i.e. through purchases from the preferred higher-cost sources) were to be balanced. In practice, therefore, plans for such preferences embody trade-creating features, i.e. the grant of preferences which will be also at the expense of domestic producers. Hence the need for compensation, both to protect countries against net losses from trade diversion and to safeguard their own industrialization plans. Quotas and the construction of preference sub-areas are some of the accepted tools to prevent too unequal a distribution of benefits and interference with the growth of domestic production. As regards the formation of preference areas, countries at significantly different stages of industrial development will have to be separated, while among those at similar stages of industrialization the existence of intensive trading links and hence of the institutions of trading, offers a basis for further expansion.

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[6] Cf. p. 42 of Part One of this *Survey*.

The features of regional trade within developing Asia, the progress of competitive import substitution and the presumed higher productivity in producing many commodities for markets of similar characteristics, present strong arguments for intensifying the search for agreements. But it must not be overlooked that the need for a balanced distribution of benefits between participants and the uneven state of industrialization in Asia taken together will tend to confine such schemes to much narrower limits than if they were linked with a harmonization of plans and projects of industrialization.

## 3. External Assistance

The economic developments of the past two years determined the context in which the needs for, and the prospects of, external assistance to the developing countries of Asia has to be discussed. The trade deficits of these countries tended, by and large, to grow in 1967. This widening gap was financed primarily, so it seems, by assistance flows but also by drafts on national reserves. Because of the time lags that are involved and the coincidence in several countries of import liberalization with a deterioration of export values or a revival of domestic demand it is not possible to assign, at this time, definite quantifiable causes for the rising trade deficits. But Asia appears to have been caught in 1966 and 1967 by movements of the prices of staple exports which were so violent as to point to unexpectedly steep declining trends in the markets for many of the most important primary exports.

Exports certainly appear to have declined in 1967. In addition, crop failures called for large imports of foods which affected the composition of external assistance in 1966 and 1967. The food crisis appears to have been overcome in 1967. It was followed by a resumption of purposeful development in some countries and by a deliberate expansion of private demand in others. The resumption of growth and growth policies, the retardation of export growth and the larger development task that is indicated almost everywhere by recent food crises, argue for an increase in the size of aid flows, for greater steadiness in the flows and thus for greater certainty.

In addition, several countries have during the past two years pursued or adopted policies of trade liberalization. It is well known that several important donor countries and international agencies have added weighty support to such internal opinion as has been arguing for policies of liberalization within the developing countries. Trade liberalization in combination with exhaustive development efforts demands larger reserves, which, if they have to be accumulated by the developing countries, reduce the resources available for growth. International assistance, whether offered bilaterally or multilaterally, may have to provide the necessary cushion if liberalization is to coexist with deliberate growth.

The present position and the prospects of aid to developing Asia are intimately affected by the leading international issues of this year. The first of these is war and national insecurity. While the hostilities in Viet-Nam, for instance, bring certain economic benefits to countries not directly touched by military action, their effect on the distribution of assistance throughout developing Asia is unrelated to considerations of economic need or productivity. Defence expenditures have increased in several of the assisted countries of the region. Political tensions pull resources, national and external, into directions which are not always relevant to economic development.

A second important issue is that of the international monetary system. No single solution that has been suggested for what is known as the liquidity problem has had the wide support which is needed to settle the issue in the expansionary manner that would be directly helpful to economic development. The currency disequilibria of recent years have already affected the aid and trade prospects of developing countries. They have done so by inhibiting the aid policies of several developed countries whose balances of payments are now under a degree of pressure which one should have thought avoidable by international action based on a concern for the more distant victims of currency runs.

Net financial flows to all developing countries from the multilateral agencies and official bilateral flows from the country members of the Development Assistance Committee (DAC) rose between 1963 and 1966 by some 8 per cent. Asia, moreover, benefited from the geographical redistribution of aid. Net flows to Asia increased during the same period by almost 19 per cent and Asia's share in total assistance flows thus rose from 40 per cent in 1963 to a high of 45 per cent in 1965 and a slightly lower 44 per cent in the following year.

The 'aid pause' to India and Pakistan late in 1965/66 caused a stagnation in the aggregate assistance to Asia. The level of commitments increased after the resumption of aid to the two countries and disbursements to them in 1967 will have been significantly greater than in earlier years. Given the weight of India and Pakistan in the sum of assistance to all developing Asia, this increase by itself points to a larger total aid flow in 1967, a conclusion which is supported by the evidence from other assisted Asian economies.

Much of the increase in the aid to developing Asia was taken up by the Republic of Viet-Nam. Of the entire addition to the aid receipts[7] of developing Asia from the members of the Development Assistance Committee[8] and multilateral sources between 1963 and 1966, some 60 per cent went to the Republic of Viet-Nam. Since Asian aid receipts in 1966 were affected by the halt of assistance to India and Pakistan this is not a proper comparison. But if India and Pakistan had received in 1966 as great a share of total international aid as they did in 1965, and if the excess of this hypothetical flow over the actual one in 1966 is added to Asia's aid receipts in that year, the Republic of Viet-Nam would still have accounted for 40 per cent of the increment. The size and growth of this particular flow are conditioned by the increasing intensity of hostilities and cannot be considered in the same light as other assistance.

While present information points to a growth of aid disbursements in 1966/67 these reflect the conjuncture of past commitments and current needs. Commitments, which assure supplies for the future, are more difficult to assess. The most cautious statement is that they increased, if at all, at a much slower rate than disbursements, so that supplies of assistance in the latter half of 1967 and in 1968 may show little increase from 1966/67, and possibly some decline. The developments in several major donor countries which are referred to below contribute to the impression of a stagnation or decline in Asian receipts of development aid, excluding from this tentative prediction those countries in southeast Asia whose security condition motivates the transfer of resources for economic and military support.

The prospects for development assistance in 1968 are to be assessed in the light of events within some of the major donors to developing Asia.

The United States aid programme increased in the fiscal year 1967 (July-June) by almost 10 per cent over the low levels of the previous year. This was partly fortuitous because the 1967 programme was bolstered by almost $300 million of aid to India and Pakistan that had been appropriated but suspended in the previous year. New commitments of United States aid to Asia were below the level of disbursements in the same year. The most striking increases in commitments were to the Republics of Korea and Viet-Nam and to Indonesia and Thailand. New commitments to India and Pakistan were substantially below disbursements while no new commitments were made to China (Taiwan).

The United States budget for FY 1968 appropriated $2,300 million for aid—about 22 per cent less than in the previous year. Of this almost one-third is intended as military aid and for the special needs of the Republic of Viet-Nam. The proposals for FY 1969 as presented by the President to Congress include the smallest aid bill so far. Barring a significant change in the international climate and in the United States economy, it seems doubtful whether even this modest proposal will be accepted by Congress.

The United Kingdom, another major donor to Asian development, is passing through economic difficulties of such severity that a maintenance of recent levels of official assistance seems all that may be hoped for in 1968. The retardation of growth and signs of recession in several of the countries in the European Economic Community are being countered by measures which will place some strain on their balances of payments. In that case, restraint in the offer of aid in 1968 may also be expected from that quarter while exports may increase in that direction.

Assistance from Japan and from the centrally planned economies has been of continuing importance for many Asian countries. Closer economic co-operation has also made for an expanded volume of trade. The volume of such assistance flows has tended to fluctuate greatly as a result of its project-tied nature. While it is difficult to reach definitive conclusions about the future level of these flows there are reasons for optimism on the part of Asian countries. An event of some significance was the recent joint communique issued by the Prime Ministers of India and the Soviet Union that an attempt would be made to dovetail the five-year plans of their countries so that economic strategy could be co-ordinated.

As regards the attainment of such targets for development assistance as have been internationally discussed, the net official flows from the DAC member countries taken as a percentage of their national incomes have declined continuously since 1962, from 0.72 to 0.57 per cent in 1966. Most of the smaller donors have increased their assistance. But the net official flows from the major donors (France, the Federal Republic of Germany, the United Kingdom and the United States) are growing at rates much below those of the growth in their national incomes.[9] Aid from Japan has grown significantly since 1965, but it is still far short of the one per cent of income target. From the point of view of the developing countries, it is the volume of available assistance that matters rather than the rates of economic growth in donor countries. But the link between the two is obvious as regards the ability to aid. Besides, the growth of the industrial countries is associated with technological advances which tend in ways that are now well known to limit their demand for the staple exports of the developing Asian countries, quite apart from the fact that part of the increased incomes are spent on the protection of producers who compete directly with some of the primary exports from developing countries.

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[7] $ 471 million.

[8] Australia, Austria, Belgium, Canada, Denmark, France, the Federal Republic of Germany, Italy, Japan, the Netherlands, Norway, Portugal, Sweden, the United Kingdom, the United States and the European Communities.

[9] *Development Assistance Efforts and Policies*, 1967 Review, OECD, September 1967.

Apart from the uncertainties attached to the volume of further assistance, the growing size of return payments has become a matter of great concern to several Asian countries. The volume and growth of such return flows arise from the balance between the different categories of assistance. Thus, the Republic of Korea and Thailand, which receive much of their assistance in the form of grants, have less reason for immediate concern about return payments than India and Pakistan where the shares of grants and loans repayable in local currency have steadily declined to insignificant levels. In India, debt service reached one-fifth of the value of merchandise exports in 1966/67 while the debt service ratio of Pakistan in the same year amounted to over 12 per cent of all foreign exchange earnings.

To the extent that legislative authorities in donor countries seem more concerned with the gross outflow of assistance, the maintenance of net outflows at present levels would be difficult if repayments were to continue their growth. The rescheduling exercise for Indonesia and the grant of refinancing assistance to India are welcome signs of a practical recognition of the problem, but "the maintenance of the present net transfer will require either a dramatic increase in gross disbursements or a substantial alteration in financial terms".[10] Most major donors to Asia have gone some way towards accepting the stipulations of the 1965 DAC recommendation to soften the terms of aid;[11] some, and Japan among them, still fall rather short of those norms.[12] To the extent that increases in the net outflow of assistance are held back by the difficulty of increasing the gross outflow it is to be hoped that the donors could achieve the same and by a significant alteration of financial terms.

The continued uncertainty surrounding the replenishment of IDA funds is, therefore, particularly regrettable. As the pioneer of really 'soft' lending the IDA provided significant amounts of aid to Asia.

Food aid to Asia has fulfilled two functions: firstly, and dramatically in the immediate past, the emergency relief of shortages caused by crop failure; and secondly, the provision of the wage good, and incidentally, of budgetary resources, to facilitate development policies which place a strain on resources. Since the stockpiles in the United States have been declining, the provision for a concerted programme of food aid in the Kennedy Round negotiations was of particular importance to certain countries of the region.[13] Under the agreement, the United States will provide 42 per cent of a target volume of 4.5 million tons of cereals to be supplied annually in the three years after 1967. Other developed countries will supply the remainder, either from their own production or by way of funds for purchase. A reflection of this arrangement was found in the agreement last year between the members of the Indian aid consortium according to which the United States food contribution will be matched by the other donors. Since the various provisions of the Kennedy Round agreement took the form of package deals for each participant, concessions were balanced against likely benefits. There seems thus no reason why developed countries which have entered the food aid agreement should consider this assistance to be given at the expense of other forms of aid.

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[10] *Development Assistance Efforts and Policies,* 1967 Review, OECD, September 1967, p. 80.

[11] In July 1965 DAC established targets for the softening of aid terms: either no less than 70 per cent of commitments should take the form of grants; or else 81 per cent of commitments should be in the form of grants or loans with a maximum interest charge of 3 per cent and 82 per cent of commitments should be grants or loans with minimum repayment periods of 25 years and weighted average grace period of seven years. *Ibid.,* p. 80.

[12] *Ibid.,* p. 74, *et. seq.*

[13] The terms of United States food aid have also undergone important change, in line with general loan policy. Under the amendment of November 1966 to the 'Food for Peace Act' all sales for local currency will be terminated by 1971. Thereafter sales will be on long-term loans repayable in dollars. Recent agreements with Ceylon, India and Pakistan have provided for specified amounts of the total value to be repaid in dollars.

## 4. Problems of Economic Adjustment: the Impact of Hostilities in Viet-Nam

A cessation of hostilities in Viet-Nam would raise problems of economic adjustment rather unlike those that arose after the Korean war in the early nineteen-fifties. The principal economic consequence of the Korean war, insofar as the developing countries of Asia were concerned, was a boom in commodity trade and prices and hence a significant rise in the foreign exchange incomes of quite a few Asian countries. The demand for Japan's industrial exports rose markedly. With the exception of the effect on Japanese exports, none of the economic consequences of the Korean war accompanied the intensification of hostilities in Viet-Nam: the nature of the demands is different, productive capacity in the United States and in primary producing countries has greatly expanded since the early 1950's and the existence of large stockpiles of primary commodities has permitted a stabilization of prices, if only by dampening the upward swings.

Within developing Asia, and omitting the Republic of Viet-Nam and North Viet-Nam themselves, the overt effects of the hostilities are felt primarily by four countries in southeast and east Asia: China (Taiwan), the Republic of Korea, Singapore and Thailand. In these countries, the share of the Republic of Viet-Nam in the value of total exports, including particularly in Singapore re-export after processing, has increased greatly, especially with the intensification of the war in and after 1965 (table 0-1). Except for Thailand, whose rice exports to Asia benefited from an increase in demand to which the hostilities in Viet-Nam have contributed, the demands which emanated from the hostilities related to manufactured or industrially processed commodities. A systematic analysis of the commodity composition of exports for the years after 1965 is not as yet possible for all the five developing countries in table 0-2. In China (Taiwan), however, the proportional dependence of cement exports on the Republic of Viet-Nam doubled between 1965 and 1966 and rose to 75 per cent for metals and iron and steel exports. In 1966, 15 per cent of textile exports, which became the single largest commodity class in China (Taiwan) exports in 1967, went to the Republic of Viet-Nam.[14]

Table 0-1. Value of exports to the Republic of Viet-Nam, 1963-1967

| Country | 1963 | | 1964 | | 1965 | | 1966 | | 1967 (part) |
|---|---|---|---|---|---|---|---|---|---|
| | Million US $ | Per cent of total exports | Million US $ | Per cent of total exports | Million US $ | Per cent of total exports | Million US $ | Per cent of total exports | Per cent of total exports |
| Japan | 33.3 | 0.61 | 34.1 | 0.51 | 36.7 | 0.43 | 138.2 | 1.41 | 1.74[1] |
| China (Taiwan) | 31.7 | 9.69 | 34.0 | 7.90 | 44.2 | 9.83 | 86.6 | 16.30 | 12.85[2] |
| Singapore | 20.70 | 1.82 | 21.41 | 2.36 | 36.61 | 3.73 | 83.78 | 7.60 | 8.80[2] |
| Republic of Korea | 1.2 | 1.39 | 6.3 | 5.27 | 14.8 | 8.45 | 13.9 | 5.57 | 1.76[3] |
| Thailand | 2.1 | 0.46 | 4.4 | 0.74 | 9.8 | 1.57 | 18.7 | 2.70 | |

*Sources:* United Nations, *Directions of Trade,* except for Singapore *(Singapore External Trade Statistics).*

[1] January to September. [2] January to May. [3] January to August.

Table 0-2. Main commodities exported to the Republic of Viet-Nam, 1965

| Country | Commodity | Per cent of value of export to all destinations |
|---|---|---|
| Japan | Textiles, yarn and thread | 6 |
| | Woven textiles, non-cotton | 1 |
| | Cotton fabrics, woven | 1 |
| | Iron and steel structures and parts | 3 |
| China (Taiwan) | Textiles, yarn and thread | 43 |
| | Cement etc., building products | 49 |
| | Fertilizers, manufactured | 100 |
| | Iron and steel shapes | 99 |
| Singapore | Petroleum products | 17 |
| | Iron, steel, plate and sheet | 15 |
| | Metal tanks, boxes etc. | 6 |
| | Road motor vehicles | 1 |
| Hong Kong | Aluminium | 45 |
| | Tubes, pipes and fittings of iron or steel | 11 |
| | Printed matter | 4 |
| | Iron and steel shapes | 4 |
| Korea, Rep. of | Iron and steel plate | 97 |
| | Iron and steel shapes | 87 |
| | Cement, building products | 67 |
| | Iron, steel wire, excluding wire rod | 99 |
| Thailand | Rice | 3 |
| | Sugar and honey | 18 |
| | Cement etc. building products | 59 |

*Source:* United Nations, *Foreign Trade Statistics of Asia and the Far East.*

The changes in the invisible trade of certain countries further reflect the economic implications of hostilities in Viet-Nam. Recent increases in the value of services sold to United States military personnel appear to exceed in Thailand and in the Republic of Korea the simultaneous increases in merchandise exports to the Republic of Viet-Nam.[15] Some of these services contribute to the recent steep increases in demand for urban and other construction in these two countries.

Increases in the direct exports to the Republic of Viet-Nam reflect only a part of the trade effect of intensified hostilities there. China (Taiwan) and the Republic of Korea are increasingly engaged in a processing trade with Japan, the rising volume of which reflects the impact of the hostilities in Viet-Nam on the Japanese economy. The direct measure of the effect on the economy of Japan is merged in Japan's direct exports to the Republic of Viet-Nam and in the value of United States procurements. The sum of these, in 1967, amounted to about $750 million and the increase in them, since 1965, to $382 million.[16] This is not a large sum in the context of the Japanese economy, except that a reduction of this inflow may occur at the very time that Japan had to embark on a gradual reduction of the large external deficit of 1967.

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[14] 77 per cent of exports of raw cotton and cotton yarn and thread was taken by the Republic of Viet-Nam in 1966.

[15] The increase between 1965 and 1966 in Thailand's revenue from exports to the Republic of Viet-Nam, and from the incomes booked in the balance of payments under the head of Travel and Government (not included elsewhere) amounted to $101 million and thus to 11 per cent of the total income from the export of goods and services in 1966.

Recent changes in United States procurement policy have halted the growth of exports of some of the most closely affected Asian countries to the Republic of Viet-Nam.

A cessation of hostilities might raise problems of external balance in the four main supplying countries in that their foreign exchange income may decline: the distribution of reconstruction expenditures need not follow the same pattern as present demands for commodities and service. In addition, China (Taiwan), the Republic of Korea and Singapore may suffer declines of demand for some of their most successful new industries, thus raising problems of internal balance. A possible excess supply of textiles, in particular, would have effects going well beyond the group of countries most directly engaged in supplying the Republic of Viet-Nam. Since these countries occupy an increasingly important role in intra-regional trade, present thinking about the future arrangements for the development of this trade cannot leave out of account the likely effects of the greatly desired return of peace to Viet-Nam. Lastly, the response of the Japanese economy and of Japanese economic policy, in the field of both trade and aid to developing Asia, may intensify the effect of a cessation of war-induced demands on the very economies which are directly engaged in the supplies. From their point of view, preparations to counter a depression of demand and the search for alternative export markets should form part of the policy programme for 1968.

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[16] Ministry of International Trade and Industry, Tokyo, and Japan Tariff Association, *The Summary Report Trade of Japan.*

## 5. Development Planning and Economic Policy

The recent shift of emphasis in the field of economic development planning towards the annual or short-term phase of planning is closely associated with the attention that has increasingly been directed to problems of implementation of development plans. To be implemented effectively, plans have to be phased in the form of annual development programmes which consider the effect of short-term policies on the actual deployment of physical and financial resources. This aspect of planning was the focal point of the deliberations at the third session of the Conference of Asian Economic Planners in November 1967. The observed emphasis on annual planning reflects a healthy trend towards realism in development planning.

In countries where there had been no effective planning in the past, the annual planning exercise may be an essential step towards medium- and long-term planning. Such have been the developments in Ceylon since the new Ministry of Planning and Economic Affairs was established in the autumn of 1965. Having been preoccupied with problems of recovery from supply shortages in the initial period, the Ministry's annual development programme for 1966/67 signals a move into the field of long-term planning, covering first the period through 1971 and, since early 1967, the period through 1977. The annual plan for 1966/67 itself was already formulated within the framework of a longer-term perspective extending to 1971, and this is precisely how an annual plan should be prepared.

In normal circumstances, a long- or medium-term plan must provide the framework within which annual plans are to be prepared. Insofar as planning has the objective of realizing the maximum growth potential of an economy and of raising this potential over time, it is essential that planning be based on a long-term perspective. If planning is undertaken with a very short time horizon, say of one year, it is bound to "operate always within a framework of fairly strict determinism" and "it is likely (insofar as it is realistic) simply to record as targets what would have tended to happen in its absence."[17]

Annual planning exercises assume special importance when unforeseen events have forced an economy out of the development paths which the plan envisages. An annual plan is not simply an annual segment of the five-year plan; it aims at formulating programmes of action having regard to immediate past performance and to availabilities of physical and financial resources which can be adequately appraised only on the basis of an independent annual exercise. If large unforeseen deviations from the trend line take place, the annual plan has the important function of adjusting the emphasis and size of development efforts so as to ease the return to the trend line as well as to make the best use of the given trend growth potential. It is desirable that the framework of the medium-term plan remains intact, even where targets or timing must be changed.

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[17] Maurice Dobb, *An Essay on Economic Growth and Planning,* London 1960, p. 13.

An example of such adjustment within the preserved structure of a medium-term plan is offered by Pakistan after 1965, the year of the war and the postponement of the consortium meeting. While actual expenditure in the first year of the third five-year plan (1965/66) fell considerably short of the original target, the mobilization of additional resources enabled the planners virtually to regain the prescribed level of expenditure in 1966/67. The plan framework was preserved, but it was necessary to revise the annual phasing of outlay and investment. The focus on a rearranged set of priorities was sharpened.

In situations where the required adjustments far exceeded what was manageable within the plan framework, however, long- or medium-term planning has tended to be delegated to the second place. Instead of complementing long- or medium-term planning, annual planning became a substitute for it. Something of this sort must have taken place in mainland China when the Great Leap Forward of the second five-year plan (originally 1958-1962) faced premature failure in the midst of natural calamities. The years from 1961 to 1965 had no valid five-year plans and were regarded as a period of economic adjustment. It was only in 1966, when the economy was considered to have returned to the growth path running from the first five-year plan period, that the third five-year plan (1966-1970) was put into effect. The fact that the targets and outline of the new plan have not been made public may point to the predominance of annual planning in mainland China, where the general situation seems to continue rather fluid.

In India, it was decided that the draft fourth five-year plan which was originally scheduled to take effect from April 1966, would have to be replaced by a new fourth plan for the five-year period beginning 1 April 1969. The choice of the fiscal year 1969/70 as the first year of the new fourth plan is officially justified on the grounds that the targets originally set for 1965/66, the final year of the third plan, would be realized only in 1968/69. While the annual plans for 1966/67 and 1967/68 were officially presented as having been "formulated within the over-all framework of the policies and programmes set down in the Draft Outline of the Fourth Plan,"[18] this cannot be maintained of the annual plan for 1968/69. For the time being, at least, policies with a short time horizon have taken the place of development planning which in the past was typically based on a long-term perspective.

It is too early to judge which of such developments express unavoidable measures of temporary adjustment to unforeseen changes in the resource situation and which reflect basic changes in economic policy and in the attitude to planning. Accepting, however, that the paramount need of economic policy for the last two years was to counteract shortages of basic foods and to check price rises, the particular way in which the Indian economy was to be adjusted to the resource shrinkage remained a matter of controversy and constituted a challenge to the tradition of Indian growthmanship. It was investment that carried the main burden of adjustment to the reduction of resources; within government expenditure, items of the consumption category increased and caused public investment outlays to be cut further. The classicial mechanism of adjustment through slump and recession was thus brought to bear upon the Indian economy.

For over a year there has been much talk of an Indian recession. During its first phase, it was a recession of a peculiar kind, complicated by the simultaneous acute tendency for prices to rise. The recession can be attributed partly to shortages in the supply of agricultural raw materials and partly to slack demand. Demand was inadequate in the first place because higher food prices left the urban population with little to spend on consumer goods, but as time went on the inadequacy became increasingly due to cuts in government investment expenditure which constitutes about two-thirds of total national investment. This policy-induced effect of a fall in government-financed investment, both public and private, has undoubtedly been a major cause of the industrial slump, especially in the capital goods industries where the recession is particularly obstinate.

A lack of firm knowledge about functional relationships between key economic variables prevents the policy-makers in developing countries from making effective use of available policy instruments. Had the effects of incremental investment in urban areas on food demand been known in greater detail, different nuances might have been introduced into policy. It is, of course, possible to argue that investment expenditure had to be curbed in order to check price rises which threatened to assume large proportions. But it is important to keep in mind the nature of the problem. The rise in the general price level was caused by shortages on the supply side, mainly in the food sector. The expansion of money supply was a result of the price movements. The cut in investment expenditure could not contribute to increasing the food supply, but merely restrained incomes. While the prices of agricultural products have risen to a great extent, the prices of manufactured goods have remained fairly stable during the last two years, despite the upward pressures arising from devaluation. In the current fiscal year, however, the price situation has shown divergent trends: while the prices of foodgrains and food articles rose during about half a year until mid-October 1967 and declined thereafter, there was remarkable stability in the prices of finished manufactured goods and a continuing decline in the prices of industrial raw materials. When in the middle of the current fiscal year the general price level started to fall towards the previous year's level and there was yet no sign of recovery in effective demand, the Indian economy found itself faced with a recession in the sense that both quantities and prices of industrial outputs tended to decline. Given high levels of efficiency and sophistication such as were reached in Indian planning and control techniques, the question arises whether a recession of such depth cannot be avoided by an active public policy? It is at least arguable that selective measures coupled with more effective price control could have allowed the level of effective demand to be manipulated without aggravating the general price situation, which was characterized by sectoral price movements.

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[18] Government of India, Planning Commission, *Annual Plan 1967/68*, p. 1.

The continuation of the policy of investment restraint into the year 1967/68, beyond the first phase of recession, was expected to lead to a progressive decline in the rate of domestic savings. While national income was expected to grow by 20 per cent at current prices, the public outlay was planned at the same level as the estimated actuals of 1966/67. With the anticipated decline of the rate of investment to a little over 10 per cent, and with some increase in the net inflow of external assistance, the rate of domestic savings was to slump to 6.4 per cent from over 10 per cent in 1965/66 and 8 per cent in 1966/67.[19] As it turned out, the level of real *per capita* income in India appears to have regained in 1967/68 the level of the beginning of the third plan period, when the marginal rate of saving stood in the neighbourhood of 15-17 per cent. The prevailing attitude towards development planning may be reflected in the acceptance of an average rate of savings as low as 6.4 per cent, implying a negative marginal rate, as a matter of policy in an official plan document. The annual plan 1967/68 commented that this "trend is inconsistent with the accepted long-term goal of self-reliance at an adequate rate of growth. For this goal would require a saving rate of close to 20 per cent of national income."[19]

India's basic development strategy since the second plan has been on the so-called Mahalanobis model of heavy industrialization. During the initial period, while the domestic industrial base was being built up, consumption levels or, at least, the rate of growth of consumption had to be kept relatively low. This strategy therefore entailed a very high marginal rate of savings, or else massive inflows of foreign aid. During the second plan and in the early years of the third plan these conditions were fulfilled, and India's growth achievement was really impressive. There were good reasons for the belief of the Indian planners that the Indian model of development would go down in history as the outstanding example of a reconciliation between the three objectives of a high economic growth rate, increasing social justice and democratic freedom. This concept of planning was matched by the appropriate orientation of economic policy.

There is no denying the exceptional circumstances in which the Indian economy found itself after two consecutive years of severe droughts. The course of policy and its acceptance of low savings may have been a transitory feature in the adjustment process. The fact remains, however, that a plan holiday of three years was imposed; in the face of mounting criticism the Planning Commission was reorganized, and practically a new commission of changed status started its work on 1 September 1967. At that time almost half of this crucial year was past, when the ensuing agricultural recovery might have provided the basis for important policy decisions with long-term implications. It may well be that the Planning Commission simply came to the scene too late to win the battle with time. When finally the new Planning Commission proposed one important policy measure to mobilize resources for development through agricultural income taxation, it seemed that the political and constitutional constraints effectively sealed the fate for the time being of the role of the concept of forced savings.

There are thus in India today indications that the country may be facing a major decision on the basic approach to economic development strategy. The pattern and direction of development of the Indian economy and the character as well as the pace of its growth are very much at issue. Economic policy which is formulated in India at a high level of sophistication and experience is the major instrument for implementing such decisions, and policy will in turn be determined by the general approach which is adopted. In view of the importance of the issue for contemporary discussions of economic policy, chapter I of part two discusses development in India at some length. The main issues are summarized below.

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[19] Government of India, Planning Commission, *Annual Plan 1967/68*, p. 16. Some part of the decline in the savings ratio merely reflects the effect on import prices of the devaluation of the rupee by just over 36 per cent, in June 1966. To assess this effect in isolation, one may assume that the balance of trade deteriorates by the full amount of the increased cost of imports and that GNP and its constituents remain constant: only expenditure will increase. The pure effect of the revaluation of physically unchanged imports on the savings ratio can then be shown to equal: (proportional increase in import prices = 59 per cent) × (pre-devaluation ratio of imports to GNP) × (pre-devaluation ratio of imports for consumption demand to total imports). The last term is difficult to evaluate. But approximately realistic values make it seem unlikely that the pure effect of the revaluation of import prices on the Indian savings ratio exceeded one percentage point.

The distribution of income during the past two years seems to have favoured the agricultural sector. This observation is not confined to India, but also applicable to other countries, for example, Ceylon where price incentives have been used as the main stimulus for increased agricultural production. In these cases, the important question for development policy is inevitably how the surpluses created in the rural sector can be tapped for general development. In India, for example, the flow of resources to the industrial sector in the past five-year plan periods was one of the means of achieving a relatively high marginal rate of savings through taxation. It is admittedly difficult to raise tax revenue from agriculture in general. But unless the agricultural society is adapted to mop up the increase in output consequent upon a diversion of resources, the marginal rate of savings is bound to fall.

The rural orientation of economic policy together with liberalization seems to have given certain classes of consumers powers of decision over the balance between the claims of future and present consumption which in the past were strictly restricted by the planning priorities. Investment means a sacrifice of present consumption in favour of future consumption and the adjustment of these claims is a major condition and a major function of comprehensive development planning such as India pioneered among developing countries. The Indian system of planning and its techniques of central direction were deliberately chosen as offering the best hope for the development of the economy and the pursuit of specific social objectives. It is indeed difficult to see what other methods are available. Considering the institutional constraints in which planners work, in India as elsewhere, it is not surprising that the progress of the planned economy and the policy of strenuous development should attract criticism when disappointments occur periodically. But not all of this criticism seems well founded in the facts of actual achievement and in a convincing analysis of the fundamental problems of the economy. The present trend of policy in India is not on the face of it favourable to investment on the basis of a long view of the economy. The prevailing attitude is typified by the abolition of land revenue in some states and the refusal to consider agricultural income taxes. Social time preference is now interpreted as arguing for more present consumption and there is less evidence of strenuous effort to match capital formation with savings.

The line of development policies of earlier years aimed at the maximum mobilization and utilization of available resources at the risk of causing some strains here and there. It was a developing country's version of what Professor Alvin Hansen has called "high-pressure economy". A social rate of discount which was lower than the private one was applied to raise the rate of savings to the maximum compatible with social stability. Instead of waiting for the availability of financial resources, it was a policy of creating savings through investment planning that guided the process of resource mobilization. The prevailing policy atmosphere may, in contrast, point to a transition to "low-pressure" policy. The pattern and size of future production may, then, be determined for a long period by market preferences for consumption; there may be less strains in the utilization of resources, but the target rate of economic growth will also be lower.

The preoccupation with agriculture, after the agricultural failures of the last two years, in the prevailing atmosphere of economic concern with a short time horizon may logically lead to a reduction of public sector investment in industry as a permanent feature of economic policy. The policy line in the most recent Indian budget proposals suggests that the Central Government's claim on resources and power to direct resources will almost certainly have to be restrained by comparison with the past five-year plans. The pattern of industrial investment may be governed by the present market demand, instead of being directed by planned priorities.

This leads back to the basic question of development planning. In developing countries whose economic structure in the past was not capable of generating the momentum of continuous growth from within, planning has generally been assigned the function of, first, shaping the resource use in such a way that the maximum growth potential can be realized and, second, effecting the structural changes which ensure that this maximum growth is also compatible with social objectives of stability and justice. The implementation of plans presupposes guidance and intervention by the public sector in the process of the mobilization and use of resources. A final judgement of the status of this planning approach in India must await the new fourth plan, but at the present juncture an analysis of the many tendencies referred to above suggests that there is a strong movement to retreat from these basic ideas of planning. What remains in question will be whether a sufficiently rapid rate of economic growth commensurate with popular aspirations can be achieved without long-term and bold planning of the sort that India exemplified in the past. If growth is feasible, will the emerging structural adaptation be adequate to ensure the required momentum of growth and will it avoid a conflict with social postulates of justice? These are challenging questions that must be squarely faced by all countries which are committed to the cause of accelerated economic growth.

## Part One

# POLICIES AND PLANNING FOR EXPORTS

## Chapter I

# FACTORS IN THE ASIAN EXPORT PERFORMANCE: THE COMPOSITION OF EXPORTS AND THE PATTERN OF DEMAND

Taking all developing ECAFE countries together, exports showed a slightly lower rate of growth in the period 1959/1960 to 1965/1966 than between 1953/1954 and 1959/1960. This deceleration occurred in a world climate of expanding exports, and it contrasts with a marked acceleration in the rate of export growth of all developing countries combined. Since the growth of imports in ECAFE countries accelerated at the same time, the consolidated trade deficit increased throughout the first half of this decade.

The average rate of export growth of the ECAFE region conceals wide variations in the export behaviour of individual countries. The present chapter examines variations in international demand for different categories of exports as one major factor in the determination of this variety of export experience. This gives some insight into the extent that actual trade performance was determined by factors other than the evolution of demand for established Asian export products.

Production for export is production for foreign demand, but export demand for an individual country is determined as much by the position of its competitors as by variations in world demand for the things it can make. Although it is relatively easier to capture market shares in an expanding market, developing countries have gained market shares in commodities which form a declining proportion of world trade, at the expense of developed countries or of other developing countries. It is thus clear that national exports or indeed the exports of the developing world do not only grow in proportion to increases in world demand for the commodities which a country is already exporting. The cost of floating up on the waves of world demand is, however, normally less than that of developing new exports. Even though the process of economic development allows much variation of phasing, some sequences are better than others for individual countries. Means must precede uses, and the lower the cost of obtaining the means the better. In general, therefore, development is easiest if variations in international demand do not force on an economy in the early stages of its development the additional task of developing new products so as to maintain its foreign exchange income in step with the growing requirements.

Continuous adaptation to the continuously changing pattern of world import demand is, roughly speaking, one of two ways to maintain or raise exports relative to world exports. A positive foreign trade policy must take account of the continuous aspect of this change. As world demand for a commodity expands, the producing countries suddenly boom. When demand ceases to expand, producing countries frequently continue to expand production in an effort to increase or stabilize export proceeds. In so doing, developing countries subject themselves to a particularly harsh process of competitive selection.

While an expansion of demand for existing lines of export goods, or for established lines of products, offers the most favourable setting for a country in the earlier stages of economic development, whether a country takes advantage of it for maintaining its share in the market—and thus for raising its exports and increasing its share in world exports—is a matter of competitive position. This is a question of the availability and mobility of resources and, partly, of foresight, and to that extent peculiarly difficult for many primary products. In part it is also a question of the policies of the buying country which may discriminate for instance in the framework of a common market, against certain developing producers.

The 'competitive position' as measured by the gain or loss in a country's share in a commodity market or a commodity class, is thus an amalgam of many factors not all of them under the economy's own control.

Individual developing countries can hardly influence demand patterns in the world. This chapter will therefore emphasize the ways in which developing countries have reacted to given changes in world demand patterns.

Inasmuch as economies can, by competing with others, capture shares in stagnant or declining classes of commodity demand, the emphasis on changes in world demand presents only a partial interpretation of the behaviour of developing countries. This analysis is nevertheless relevant to certain kinds of policy and policy institutions. The collection and dissemination of information, price policy with occasional reinforcements of price incentives, and the adaptation of the industrialization programmes are some obvious instances.

The composition, and changes in the composition, of the exports of developing ECAFE countries will first be compared with trends in world demand. This provides the background for a consideration of the structural and the competitive components in the observed changes in the exports of developing Asian countries.

As the ability to adapt to changes in world demand is influenced by the degree of a country's export diversification, the export concentration of ECAFE countries will be examined. Finally, the changes in world demand for individual commodities will be considered. The identification of factors responsible for such changes assists in adapting the structure of output for exportation.

## Trends and composition of the exports of the developing ECAFE countries

The total value of the exports of the developing ECAFE countries increased between 1959/1960 and 1965/1966 at an annual rate of 3.9 per cent, slightly less than the 4.2 per cent between 1953/1954 and 1959/1960. This unfavourable trend stood in sharp contrast with a marked acceleration in the growth of exports of all developing countries together as well as of world exports. Exports from all developing countries together rose from 26.6 billion dollars in 1959/1960 to 37.6 billion dollars in 1965/1966, an annual rate of increase of 5.1 per cent which improves considerably on the 3.1 per cent per year between 1953/1954 and 1959/1960. Because world exports grew at an even faster rate, the share of developing countries in world trade declined from 27 per cent in 1953/1954 to 22 per cent in 1959/1960 and again to 19 per cent in 1965/1966. The decline of the share is observed in manufactured as well as primary commodity exports.[1] Imports grew at an accelerated pace in the first half of the 1960's. Consequently, the trade deficit for the developing ECAFE countries as a whole increased from $1,839 million in 1960 to $3,408 million in 1966. The accelerating rate of imports as development proceeds necessitates an acceleration of exports since countries cannot depend with certainty on capital inflows to finance the trade deficit.

The rate of growth of exports from the developing ECAFE region as a whole conceals wide variations in individual performances, from 41.8 per cent for the Republic of Korea to –16.1 per cent for the Republic of Viet-Nam (table I-1).

Differences in the rates of growth of commodity exports were broadly associated with differences in the degree of concentration in the commodity composition of exports, and with the extent of change in the commodity composition over time (tables I-2 and I-3).[2] If the degree of commodity concentration is measured by the share of a country's five main export commodities in the value of its total exports, the Asian countries whose exports grew relatively rapidly are found on average to have a significantly lower degree of commodity concentration than the countries whose exports grew slowly. This negative association of the rate of growth of exports with the commodity concentration of exports holds quite irrespective of whether concentration is measured at the beginning or the end of the quinquennium to 1965/1966. It seems that countries with diversified exports are better able to adapt to changes in world demand patterns than countries whose exports are more narrowly concentrated. This is plausible if only because there is in the more diversified countries a larger number of established export products to choose from. It further appears that where exports grew rapidly, the commodity composition underwent a marked change between 1960 and 1965. This association between rates of growth and change in commodity composition is particularly striking in the countries which experienced dramatic increases in exports. Others which did badly in exports retained over the period an almost unchanged composition of exports. This again points to the importance of flexibility in the composition of exports: success was associated with change and both were associated with a relatively high degree of initial diversification. Success and failure in export performance cannot be clearly related to the weight of primary commodities in a country's total exports. There are primary commodities for which demand continued to expand. Successful export growth on a basis of primary commodities has not been uncommon. With regard to the role of primary commodities in the progress of exports it is probably again the degree of diversification, the adaptability of production and the advance of processing which are the important determinants. The analysis allows no conclusion either way about the effect of varying proportions of primary exports on the rates of growth of total exports. This, of course, qualifies in no way the desirability of promoting industrial exports. The fostering of industry is a normal concomitant of development, and in the great majority of developing Asian countries it is also an essential part of any conceivable development programme. The expansion of manufactures into exports not only increases the range of exports and thus promises to help the balance of payments but it also widens the scope for industrial growth by enlarging the market of both manufacturers and farmers and by imposing good standards of production. Asian experience of growth led by manufactured exports is confined to a few instances. In most countries, exporting of manufactures has usually been considered a merit rather than a primary purpose of production. This therefore distinguishes primary production from manufacturing and restricts the value of the evidence that can be drawn from Asian past experience.

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[1] The share of developing countries in total world trade in manufactures declined from 5.3 per cent in 1953/1954 to 4 per cent in 1965/1966, while that in primary commodities decreased from 54 per cent in 1953/1954 to 42 per cent in 1965/1966.

[2] The tables show for each country the five major commodities exported in the initial year and the terminal year, the percentage share of each commodity in total exports and the rate of growth of the commodities exports over the period. Where the analysis could not be undertaken for 1966, the year 1965 was chosen as the terminal year. The order of countries in these tables accordingly differs slightly from that in table I - 1. Also, for some countries with a heavy concentration of commodities, only three or even fewer commodities are shown.

Table I-1. Developing ECAFE countries: rate of growth of export values, 1960-1966

| *Country* | *Rate of growth (per cent per annum)* | |
|---|---|---|
| | A | B |
| *Group I* | | |
| 1. Korea, Rep. of . . . . . . . . . | 41.8 | 40.1 |
| 2. China (Taiwan) . . . . . . . . . | 23.5 | 21.8 |
| 3. Hong Kong . . . . . . . . . . . | 12.3 | 11.5 |
| 4. Thailand . . . . . . . . . . . . | 9.2 | 9.3 |
| 5. Iran . . . . . . . . . . . . . . | 9.0 | 7.6 |
| 6. Philippines . . . . . . . . . . | 8.7 | 6.9 |
| 7. Sabah (East Malaysia) . . . . . | 8.1 | 8.2 |
| 8. Pakistan . . . . . . . . . . . | 7.6 | 7.3 |
| 9. Cambodia . . . . . . . . . . . | 6.4 | –0.7[a] |
| 10. Afghanistan . . . . . . . . . . | 6.4 | 5.8 |
| *Group II* | | |
| 1. Laos . . . . . . . . . . . . . . | 4.4 | 1.3[b] |
| 2. India . . . . . . . . . . . . . | 4.3 | 3.2 |
| 3. West Malaysia . . . . . . . . . | 2.1 | 1.1 |
| 4. Ceylon . . . . . . . . . . . . . | 0.7 | –1.3 |
| 5. Sarawak (East Malaysia) . . . . | –0.2 | –1.0 |
| 6. Singapore . . . . . . . . . . . | 0.7 | –0.5 |
| 7. Burma . . . . . . . . . . . . . | –1.8 | –2.6 |
| 8. Brunei . . . . . . . . . . . . . | –2.7 | –1.9 |
| 9. Indonesia . . . . . . . . . . . | –2.9 | –3.5 |
| 10. Viet-Nam, Rep. of . . . . . . . | –16.1 | –16.0[b] |

*Sources and notes:* Basic data of current export values in US dollars were taken from United Nations sources.

Rate of growth A: Regression of annual values on time. The equation was $y = \alpha(1+\beta)^x$ where $y =$ exports and $x =$ calendar years, 1960 = 1 etc.

B: Compound rates of growth between 1960 and 1966.

[a] Cambodia's exports showed a consistent increase during 1960-1965, but dropped sharply in 1966.

[b] 1960-1965.

Table I-2. Changes in the composition of commodity exports, 1960-1966
Group I: Countries with rapid rates of growth of exports

| *Major commodities exported in 1960* | | | | | *Major commodities exported in 1965 or 1966* | | | | |
|---|---|---|---|---|---|---|---|---|---|
| *SITC* | *Commodity* | *Value* | *Share of commodity in total exports (per cent)* | *Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest)* | *SITC* | *Commodity* | *Value* | *Share of commodity in total exports (per cent)* | *Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest)* |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| | | | | | *Rep. of Korea (1960-1966) (thousand US$)* | | | | |
| 283.9(2) | Tungsten ore and concentrates | 4,701 | 14.3 | 12.5 | 841 | Clothing except fur clothing | 33,386 | 13.3 | 133.7[a] |
| 0.42 | Rice . . . . . . . . . . | 3,763 | 11.5 | 10.5 | 631.2 | Plywood . . . . . . . . | 18,132 | 7.2 | 208.6 |
| 281.3 | Iron ore and concentrates . | 2,463 | 7.5 | 16.3 | 899.9(5) | Wigs, false beards . . . . . | 12,022 | 4.8 | ∞[a] |
| 652 | Cotton fabrics, woven . . . | 2,443 | 7.4 | 26.7 | 261.3 | Raw silk (not thrown) . . . | 11,632 | 4.6 | 51.0 |
| 031.1 | Fish, fresh, chilled and frozen | 1,560 | 4.8 | 33.0 | 054 | Vegetables . . . . . . . | 9,900 | 4.0 | 40.2 |
| | Total, five major commodities | 14,930 | 45.5 | | | Total, five major commodities | 85,072 | 33.9 | 40.3 |
| | Total exports . . . . . . . | 32,827 | 100.0 | 40.3 | | Total exports . . . . . . . | 250,334 | 100.0 | 40.3 |
| | | | | | *China (Taiwan) (1960-1965) (thousand US$)* | | | | |
| 061.2 | Refined sugar . . . . . . | 66,872 | 40.8 | –2.8 | 051+053 | Fruit, fresh and prepared . . | 74,728 | 16.6 | 37.4 |
| 051+053 | Fruit, fresh and prepared . . | 15,268 | 9.3 | 37.4 | 061.2 | Refined sugar . . . . . . | 57,872 | 12.9 | –2.8 |
| 651 | Cotton fabrics . . . . . . | 12,719 | 7.8 | 8.8 | 042.1 | Rice, in the husk or husked . | 41,092 | 9.1 | 52.1 |
| 074.1 | Tea . . . . . . . . . . | 6,061 | 3.7 | 7.8 | 631.2 | Plywood . . . . . . . . | 26,400 | 5.9 | 61.5 |

## Table I-2 *(cont'd)*

| *Major commodities exported in 1960* | | | | | *Major commodities exported in 1965 or 1966* | | | | |
|---|---|---|---|---|---|---|---|---|---|
| *SITC* | *Commodity* | *Value* | *Share of commodity in total exports (per cent)* | *Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest)* | *SITC* | *Commodity* | *Value* | *Share of commodity in total exports (per cent)* | *Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest)* |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| 651 | Textile yarn and thread | 5,394 | 3.3 | 30.4 | 054 | Vegetables, fresh or simply preserved | 21,642 | 4.8 | 76.6 |
| | Total, five major commodities | 106,314 | 64.9 | — | | Total, five major commodities | 221,734 | 49.3 | — |
| | Total exports | 164,065 | 100.0 | 22.3 | | Total exports | 449,675 | 100.0 | 22.3 |
| *Hong Kong (1960-1966) (thousand US$)* | | | | | | | | | |
| 841 | Clothing except fur clothing | 179,160 | 26.0 | 12.4 | 841 | Clothing except fur clothing | 360,369 | 27.2 | 12.4 |
| 652.1 | Cotton fabrics, grey | 37,894 | 5.5 | 9.2 | 894 | Perambulators | 83,076 | 6.3 | 26.5 |
| 651 | Textile yarn and thread | 22,130 | 3.2 | 0.3 | 652.1 | Cotton fabrics, grey | 64,256 | 4.9 | 9.2 |
| 697–698 | Household equipment of base metal, and manufactures | 22,342 | 3.2 | 2.4 | 667 | Pearls, precious stones and semi-precious stones | 55,864 | 4.2 | 34.6 |
| 851 | Footwear | 20,468 | 3.0 | 8.3 | 724 | Telecommunication apparatus | 44,529 | 3.4 | 52.0 |
| | Total, five major commodities | 281,994 | 40.9 | — | | Total, five major commodities | 608,094 | 46.0 | — |
| | Total exports | 689,099 | 100.0 | 11.5 | | Total exports | 1,323,544 | 100.0 | 11.5 |
| *Iran (1960-1964) (million US$)* | | | | | | | | | |
| 331 | Petroleum crude and partly refined | 426.44 | 52.3 | 18.9 | 331 | Petroleum, crude and partly refined | 852.05 | 68.0 | 18.9 |
| 332 | Petroleum products | 276.20 | 33.9 | –2.4 | 332 | Petroleum products | 251.04 | 20.0 | –2.4 |
| 263 | Cotton | 28.59 | 3.5 | 5.1 | 263 | Cotton | 34.89 | 2.8 | 5.1 |
| 657 | Floor coverings, tapestries etc. | 26.29 | 3.2 | 5.0 | 657 | Floor coverings, tapestries, etc. | 32.01 | 2.6 | 5.0 |
| | Total, four major commodities | 757.52 | 92.9 | — | | Total, four major commodities | 1,169.99 | 93.4 | — |
| | Total exports | 815.10 | 100.0 | 11.4 | | Total exports | 1.253.52 | 100.0 | 11.4 |
| *Cambodia (1960-1965) (thousand US$)* | | | | | | | | | |
| 231.1 | Natural rubber and rubber-like gums | 27,940 | 43.6 | 4.7 | 042.2 | Rice, glazed or polished | 50,399 | 47.8 | 21.2 |
| 042.2 | Rice, glazed or polished | 19,279 | 30.1 | 21.2 | 231.1 | Natural rubber and rubber-like gums | 35,094 | 33.3 | 4.7 |
| 044 | Maize, unmilled | 8,275 | 12.9 | –9.3 | 044 | Maize, unmilled | 5,088 | 4.8 | –9.3 |
| | Total, three major commodities | 55,494 | 86.6 | — | | Total, three major commodities | 90,581 | 85.9 | — |
| | Total exports | 64,019 | 100.0 | 10.5 | | Total exports | 105,424 | 100.0 | 10.5 |
| *Thailand (1960-1965) (million US$)* | | | | | | | | | |
| 231 | Crude rubber, etc. | 122.24 | 30.6 | –4.7 | 042 | Rice | 208.40 | 34.2 | 11.3 |
| 042 | Rice | 121.78 | 30.5 | 11.3 | 231 | Crude rubber, etc. | 96.11 | 15.8 | –4.7 |
| 044 | Maize, unmilled | 26.10 | 6.5 | 12.3 | 264 | Jute, including cuttings and waste | 53.00 | 8.7 | 37.2 |
| 283.6 | Tin ore and concentrates | 25.43 | 6.4 | 7.7 | 044 | Maize, unmilled | 46.57 | 7.7 | 12.3 |
| 243.3 | Lumber, non-conifer | 15.85 | 4.0 | –11.8 | 283.6 | Tin ore & concentrates | 36.87 | 6.1 | 7.7 |
| | Total, five major commodities | 311.40 | 78.0 | — | | Total, five major commodities | 440.95 | 72.5 | — |
| | Total exports | 399.13 | 100.0 | 8.8 | | Total exports | 607.77 | 100.0 | 8.8 |

## Table I-2 *(cont'd)*

| *Major commodities exported in 1960* | | | | | *Major commodities exported in 1965 or 1966* | | | | |
|---|---|---|---|---|---|---|---|---|---|
| SITC | Commodity | Value | Share of commodity in total exports (per cent) | Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest) | SITC | Commodity | Value | Share of commodity in total exports (per cent) | Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest) |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| | | | | *East Malaysia: Sabah (1960-1966) (thousand US$)* | | | | | |
| 242.3 | Sawlogs and veneer logs, non-conifer . . . . . | 28,153 | 38.7 | 20.2 | 242.3 | Sawlogs and veneer logs, non-conifer . . . . . . . | 84,742 | 72.4 | 20.2 |
| 231.1 | Natural rubber and rubber-like gums . . . . . . | 16,182 | 22.2 | –7.1 | 231.1 | Natural rubber and rubber-like gums . . . . . . | 10,418 | 8.9 | –7.1 |
| 221.2 | Copra . . . . . . . . . . | 13,146 | 18.1 | –19.1 | 122.2 | Cigarettes . . . . . . . . | 4,761 | 4.1 | 11.0 |
| 122.2 | Cigarettes . . . . . . . . | 2,551 | 3.5 | 11.0 | 221.1 | Copra . . . . . . . . . . | 3,690 | 3.2 | –19.1 |
| | Total, four major commodities | 60,032 | 82.5 | — | | Total, four major commodities | 103,611 | 88.6 | — |
| | Total exports . . . . . . . | 72,730 | 100.0 | 8.2 | | Total exports . . . . . . . | 117,052 | 100.0 | 8.2 |
| | | | | *Philippines (1960-1965) (million US$)* | | | | | |
| 061 | Sugar and honey . . . . . | 143.48 | 25.7 | 1.7 | 221.2 | Copra . . . . . . . . . . | 169.49 | 21.3 | 4.1 |
| 221.2 | Copra . . . . . . . . . . | 138.64 | 24.8 | 4.1 | 061 | Sugar and honey . . . . . | 156.19 | 19.7 | 1.7 |
| 242 | Wood, rough or roughly squared . . . . . . . | 91.60 | 16.4 | 9.9 | 242 | Wood, rough or roughly squared . . . . . . . | 147.00 | 18.5 | 9.9 |
| 265.5 | Abaca, manufactured . . . | 41.77 | 7.5 | –9.1 | 442.3 | Coconut (copra) oil . . . | 66.93 | 8.4 | 33.7 |
| 631 | Veneers, plywood boards etc. | 22.01 | 3.9 | 4.4 | 283.1 | Copper ores and concentrates | 39.82 | 5.0 | 16.8 |
| | Total, five major commodities | 437.50 | 78.3 | — | | Total, five major commodities | 579.43 | 72.9 | — |
| | Total exports . . . . . . . | 558.90 | 100.0 | 7.4 | | Total exports . . . . . . . | 794.18 | 100.0 | 7.4 |
| | | | | *Pakistan (1961-1965) (million US$)* | | | | | |
| 264 | Jute . . . . . . . . . . . | 188.0 | 47.0 | –1.4 | 264 | Jute . . . . . . . . . . . | 177.9 | 33.7 | –1.4 |
| 656.1 | Bags and sacks of textile materials . . . . . . | 46.3 | 11.6 | 2.0 | 263.1 | Raw cotton, other than linters | 64.5 | 12.2 | 31.2 |
| 263.1 | Raw cotton, other than linters | 21.8 | 5.4 | 31.2 | 656.1 | Bags and sacks of textile materials . . . . . . | 50.0 | 9.5 | 2.0 |
| 653.4 | Jute fabrics . . . . . . . | 25.5 | 6.4 | 10.2 | 653.4 | Jute fabrics . . . . . . . | 37.6 | 7.1 | 10.2 |
| 042.2 | Rice, glazed or polished . . | 20.0 | 5.0 | 5.6 | 652 | Cotton fabrics . . . . . . | 28.6 | 5.4 | 35.8 |
| | Total, five major commodities | 301.6 | 75.4 | — | | Total, five major commodities | 358.6 | 67.9 | — |
| | Total exports . . . . . . . | 400.0 | 100.0 | 7.2 | | Total exports . . . . . . . | 528.2 | 100.0 | 7.2 |
| | | | | *Afghanistan (1960-1965) (million US$)* | | | | | |
| 212 | Fur skins, undressed . . . . | 14.02 | 28.1 | 2.9 | 052<br>053 | Dried fruit . . . . . . .<br>Fruit prepared and preserved . . . . . | 17.87[b] | 25.5[b] | 18.8 |
| 052<br>053 | Dried fruits . . . . . .<br>Fruit prepared and preserved . . . . . | 7.54[b] | 15.1[b] | 18.8 | 212 | Fur skins, undressed . . . . | 16.20 | 23.2 | 2.9 |
| 657 | Carpets, etc. of wool and fine hair . . . . . . . . | 7.20 | 14.4 | 4.4 | 263 | Cotton . . . . . . . . . | 11.13 | 15.9 | 18.2 |
| 262 | Wool and other animal hair . | 7.02 | 14.1 | 23.2 | 657 | Carpets, etc. of wool and fine hair . . . . . . . . | 8.94 | 12.8 | 4.4 |
| 051 | Fresh fruit . . . . . . . . | 5.23 | 10.5 | 3.2 | 051 | Fresh fruit . . . . . . . . | 6.13 | 8.8 | 3.2 |
| | Total, five major commodities | 41.01 | 82.2 | — | | Total, five major commodities | 60.27 | 86.2 | — |
| | Total, exports . . . . . . . | 49.89 | 100.0 | 7.0 | | Total exports . . . . . . . | 69.95 | 100.0 | 7.0 |

*Source:* Calculated by ECAFE secretariat from United Nations and national sources.

[a] 1962-1966. [b] Including edible nuts (SITC 051-07).

### Table I-3. Changes in the composition of commodity exports, 1960-1966

### Group II: Countries with low or negative rates of growth of exports

| *Major commodities exported in 1960* | | | | | *Major commodities exported in 1965 or 1966* | | | | |
|---|---|---|---|---|---|---|---|---|---|
| *SITC* | *Commodity* | *Value* | *Share of commodity in total exports (per cent)* | *Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest)* | *SITC* | *Commodity* | *Value* | *Share of commodity in total exports (per cent)* | *Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest)* |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| | | | | | *India (1960/1961-1965/1966) (million US$)* | | | | |
| | Jute manufactures | 276.61 | 20.8 | 6.6 | | Jute manufactures | 381.46 | 22.5 | 6.6 |
| 074.1 | Tea | 259.54 | 19.5 | –1.5 | 074.1 | Tea | 241.16 | 14.3 | –1.5 |
| 652 | Cotton fabrics | 121.06 | 9.1 | 1.9 | 652 | Cotton fabrics | 132.91 | 7.9 | 1.9 |
| 611 | Leather | 52.16 | 3.9 | 2.6 | 281.3 | Iron ore and concentrates excl. pyrites | 88.41 | 5.2 | 19.8 |
| 051 | Fruit, fresh and nuts | 45.13 | 3.4 | 6.4 | 081 | Fodder, n.e.s. | 75.54 | 4.5 | 19.0 |
| | Total, five major commodities | 754.50 | 56.7 | — | | Total, five major commodities | 919.48 | 54.4 | — |
| | Total exports | 1,328.08 | 100.0 | 5.0 | | Total exports | 1,691.68 | 100.0 | 5.0 |
| | | | | | *Laos (1960-1965) (million US$)* | | | | |
| | Tin ore | 0.43 | 44.7 | 7.7 | | Tin ore | 0.61 | 58.7 | 7.7 |
| | Plants for use in medicine and perfumery | 0.07 | 7.4 | 2.7 | | Gums and resins | 0.11 | 10.6 | 17.0 |
| | Wood and lumber | 0.04 | 4.3 | 14.9 | | Plants for use in medicine and perfumery | 0.08 | 7.[illegible] | 2.7 |
| | Gums and resins | 0.05 | 5.3 | 17.0 | | Wood and lumber | 0.08 | 7.7 | 14.9 |
| | Total, four major commodities | 0.58 | 61.7 | — | | Total, four major commodities | 0.88 | 84.7 | — |
| | Total exports | 0.94 | 100.0 | 2.0 | | Total exports | 1.04 | 100.0 | 2.0 |
| | | | | | *West Malaysia (1960-1965) (million US$)* | | | | |
| 231.1 | Natural rubber and rubber-like gums | 585.55 | 61.23 | –5.2 | 231.1 | Natural rubber and rubber-like gums | 447.26 | 44.12 | –5.2 |
| 687.1 | Tin and alloys, unwrought | 165.28 | 17.28 | 11.3 | 687.1 | Tin and alloys, unwrought | 282.54 | 27.87 | 11.3 |
| 281.3 | Iron ores and concentrates | 45.81 | 4.79 | 2.8 | 281.3 | Iron ores and concentrates | 52.70 | 5.20 | 2.8 |
| 422.2 | Palm oil | 19.79 | 2.07 | 11.8 | 422.2 | Palm oil | 34.61 | 3.41 | 11.8 |
| 221.2 | Copra | 11.26 | 1.18 | –21.5 | 332 | Petroleum products | 13.91 | 1.37 | 40.2 |
| | Total, five major commodities | 827.69 | 86.55 | — | | Total, five major commodities | 831.02 | 81.97 | — |
| | Total exports | 956.37 | 100.00 | 1.2 | | Total exports | 1,013.71 | 100.00 | 1.2 |
| | | | | | *Singapore (1960-1966) (million US$)* | | | | |
| 231.1 | Natural rubber and rubber-like gums | 465.24 | 40.96 | –9.9 | 231.1 | Natural rubber and rubber-like gums | 248.59 | 20.38 | –9.9 |
| 332 | Petroleum products | 123.89 | 10.91 | 7.7 | 332 | Petroleum products | 193.28 | 15.85 | 7.7 |
| 075 | Spices | 38.14 | 3.36 | –8.6 | 732 | Road motor vehicles | 42.41 | 3.48 | 8.2 |
| 732 | Road motor vehicles | 26.42 | 2.33 | 8.2 | 075 | Spices | 22.19 | 1.82 | –8.6 |
| | Total, four major commodities | 653.69 | 57.56 | — | | Total, four major commodities | 506.47 | 41.53 | — |
| | Total exports | 1,135.95 | 100.00 | 1.2 | | Total exports | 1,219.77 | 100.00 | 1.2 |

Table I-3 *(cont'd)*

| *Major commodities exported in 1960* | | | | | *Major commodities exported in 1965 or 1966* | | | | |
|---|---|---|---|---|---|---|---|---|---|
| *SITC* | *Commodity* | *Value* | *Share of commodity in total exports (per cent)* | *Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest)* | *SITC* | *Commodity* | *Value* | *Share of commodity in total exports (per cent)* | *Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest)* |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| | | | | | *Burma (1960-1965) (thousand US$)*[a] | | | | |
| 042.2 | Rice, not in the husk | 147,829 | 66.3 | −1.1 | 042.2 | Rice, not in the husk[b] | 139,706 | 62.2 | −1.1 |
| 242.3 | Sawlogs and veneer logs, non-conifer | 12,220 | 5.5 | ... | | | | | |
| 081.3 | Oil-seed cake and meal, etc. | 11,589 | 5.2 | ... | | | | | |
| 054.2 | Pulse, dry | 8,628 | 3.9 | ... | | | | | |
| 231.1 | Natural rubber and rubber-like gums | 8,704 | 3.9 | ... | | | | | |
| | Total, five major commodities | 188,970 | 84.8 | — | | | | | |
| | Total exports | 222,971 | 100.0 | 0.2 | | Total exports | 224,742 | 100.0 | 0.2 |
| | | | | | *East Malaysia: Sarawak (1960-1966) (thousand US$)* | | | | |
| 332 | Petroleum products | 42,766 | 26.81 | −0.5 | 332 | Petroleum products | 41,391 | 27.33 | −0.5 |
| 231.1 | Natural rubber and rubber-like gums | 40,001 | 25.08 | −15.0 | 242.3 | Sawlogs, and veneer logs, non-conifer | 26,929 | 17.78 | 36.6 |
| 243.3(1) | Lumber, sawn length-wise, etc., non-conifer | 10,020 | 6.28 | −2.5 | 231.1 | Natural rubber and rubber-like gums | 15,091 | 9.96 | −15.0 |
| 242.3 | Sawlogs and veneer logs, non-conifer | 4,147 | 2.60 | 36.6 | 075.1 | Pepper and pimiento | 10,780 | 7.12 | 11.5 |
| 075.1 | Pepper and pimiento | 5,619 | 3.52 | 11.5 | 243.3(1) | Lumber, sawn length-wise, etc., non-conifer | 8,606 | 5.68 | −2.5 |
| | Total, five major commodities | 102,553 | 64.29 | — | | Total, five major commodities | 102,797 | 67.87 | — |
| | Total exports | 159,524 | 100.00 | −0.9 | | Total exports | 151,450 | 100.00 | −0.9 |
| | | | | | *Ceylon (1960-1966) (thousand US$)* | | | | |
| 074.1 | Tea | 230,093 | 61.7 | −1.1 | 074.1 | Tea | 215,541 | 61.2 | −1.1 |
| 231.1 | Natural rubber and rubber-like gums | 79,458 | 21.3 | −1.9 | 231.1 | Natural rubber and rubber-like gums | 70,865 | 20.1 | −1.9 |
| 422.3 | Coconut oil | 16,748 | 4.5 | 5.1 | 422.3 | Coconut oil | 22,595 | 6.4 | 5.1 |
| 051.7 | Edible nuts | 15,123 | 4.1 | −1.7 | 051.7 | Edible nuts | 13,682 | 3.9 | −1.7 |
| 265 | Vegetable fibres, except cotton and jute | 11,118 | 3.0 | −5.3 | 265 | Vegetable fibres, except cotton and jute | 8,025 | 2.3 | −5.3 |
| | Total, five major commodities | 352,540 | 94.6 | — | | Total, five major commodities | 330,708 | 93.9 | — |
| | Total exports | 372,706 | 100.0 | −0.9 | | Total exports | 351,951 | 100.0 | −0.9 |
| | | | | | *Brunei (1960-1965) (thousand US$)* | | | | |
| 331.1 | Petroleum, crude | 78,430 | 94.3 | −4.5 | 331.1 | Petroleum, crude | 62,264 | 95.4 | −4.5 |
| 231.1 | Natural rubber and rubber-like gums | 1,656 | 2.0 | −25.3 | 232.1 | Motor spirit etc. | 422 | 0.6 | 76.0 |
| 242 | Wood, rough or roughly squared | 278 | 0.3 | −38.7 | 231.1 | Natural rubber and rubber-like gums | 385 | 0.6 | −25.3 |
| 678 | Tubes, pipes and fittings of iron or steel | 279 | 0.3 | −10.2 | | | | | |
| | Total, four major commodities | 80,643 | 96.9 | — | | Total, three major commodities | 63,071 | 96.6 | — |
| | Total exports | 83,194 | 100.0 | −4.7 | | Total exports | 65,258 | 100.0 | −4.7 |

Table I-3 *(cont'd)*

| *Major commodities exported in 1960* | | | | | *Major commodities exported in 1965 or 1966* | | | | |
|---|---|---|---|---|---|---|---|---|---|
| *SITC* | *Commodity* | *Value* | *Share of commodity in total exports (per cent)* | *Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest)* | *SITC* | *Commodity* | *Value* | *Share of commodity in total exports (per cent)* | *Rate of growth of exports 1960-1965 or 1960-1966 (per cent compound interest)* |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| | | | | | *Indonesia (1960-1965) (million US$)* | | | | |
| 231.1 | Natural rubber and rubber-like gums . . . . . . | 377.89 | 44.9 | –11.0 | 231.1 | Natural rubber and rubber-like gums . . . . . . | 210.37 | 29.8 | –11.0 |
| 332 | Petroleum products . . . . | 134.39 | 16.0 | –6.4 | 331 | Crude petroleum . . . . . | 175.22 | 24.8 | 15.2 |
| 331 | Crude petroleum . . . . . | 86.41 | 10.3[a] | 15.2 | 332 | Petroleum products . . . . | 96.68 | 13.7 | –6.4 |
| 283.6 | Tin ore and concentrates . . | 50.55 | 6.0 | –5.6 | 283.6 | Tin ore and concentrates . . | 37.92 | 5.4 | –5.6 |
| 121 | Tobacco, unmanufactured . | 28.49 | 3.4 | –7.6 | 422.2 | Palm oil . . . . . . . . . | 27.30 | 3.9 | 6.5 |
| 221.2 | Copra . . . . . . . . . . | 28.88 | 3.4 | –9.1 | 121 | Tobacco, unmanufactured . | 19.16 | 2.7 | –7.6 |
| Total, six major commodities . . . . | | 706.61 | 84.0 | — | Total, six major commodities . . . . | | 566.75 | 80.3 | — |
| Total exports . . . . . . . . . . . | | 841.09 | 100.0 | –3.4 | Total exports . . . . . . . . . . . | | 706.48 | 100.0 | –3.4 |
| | | | | | *Rep. of Viet-Nam (1960-1965) (million US$)* | | | | |
| 231.1 | Natural rubber and rubber-like gums . . . . . . | 47.99 | 56.10 | –11.5 | 231.1 | Natural rubber and rubber-like gums . . . . . . | 26.01 | 73.31 | –11.5 |
| 042 | Rice . . . . . . . . . . . | 27.27 | 31.88 | . . .[c] | 074.1 | Tea . . . . . . . . . . . | 2.13 | 6.00 | 15.0 |
| 001 | Live animals (swine only) . | 2.07 | 2.42 | . . .[c] | 221.1 | Groundnuts (peanuts) green | 1.24 | 3.49 | 42.6 |
| Total, three major commodities . . . | | 77.33 | 90.40 | — | Total, three major commodities . . . | | 29.38 | 82.80 | — |
| Total exports . . . . . . . . . . . | | 85.54 | 100.00 | –16.1 | Total exports . . . . . . . . . . . | | 35.48 | 100.00 | –16.1 |

*Source:* Calculated by ECAFE secretariat from United Nations and national sources.
[a] Further commodity detail not available. [b] Including rice products. [c] No exports of these commodities in 1965.

## Growth and diversification of exports

As was said earlier, countries with a higher degree of diversification of commodity exports are also those with a faster growth of exports. Adaptation to changing world demand conditions should be easier, the greater the variety of exports which a country produces. Considerations of probability point to that conclusion.

To test this relation further, the level and trend of commodity concentration ratios have been related to the rates of growth of exports for thirteen countries of the region (table I-4). The coefficient of commodity concentration varies between zero and 100 per cent and attains the latter value where a country's exports consist of only one commodity.[3] For comparison, table I-4 presents estimates for earlier years as published by other authors. The comparison is affected by the detail of the trade classification on which the computation is based. Since the coefficients for the years before 1965 had to be based on a less

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[3] The Gini coefficient has been used, following Hirschman, Massels and Michaely. (Albert O. Hirschman, *National Power and the Structure of Foreign Trade,* Berkeley 1945; Michael Michaely, *Concentration in International Trade,* Amsterdam, North Holland Publishing Company, 1962: Massels, B. F., "Export Concentration and Fluctuations in Export Earnings", *American Economic Review,* March 1964.)

The coefficient of commodity concentration of a given country's exports is thus defined as

$$Cjx_t = 100 \sqrt{\sum_i \left(\frac{Xij_t}{Xjt}\right)^2} \quad \text{where}$$

$Xij_t$ = the value of country j's exports of commodity i in year t;

$Xj_t$ = value of total exports of country j in year t.

For convenience, the ratio is expressed in percentage form by multiplying it by 100. The coefficient depends heavily on the definition of commodities. Even if a uniform set of commodity definitions is used for all countries included in the comparison, some distortion will be unavoidable if the commodity classification itself does not take account of the relative importance of different items in world trade. A country exporting 12 different kinds of metal ores, for example, may have a commodity concentration ratio of 100, if all ores are defined as one commodity.

Table I-4. Developing ECAFE countries: coefficients of commodity concentration of exports, 1954-1965

| *Country* | *Exports: annual rates of growth 1960-66* | *Index of commodity concentration* | | | |
|---|---|---|---|---|---|
| | | *1965 ECAFE*[a] | *1959 MASSELS*[b] | *1955 ECAFE*[a] | *1954 MICHAELY*[c] |
| Cambodia | 6.4 | 91.36 | ... | ... | |
| Burma | –1.8 | 81.25 | 69.1 | 75.25 | 74.4 |
| Viet-Nam, Rep. of | –16.1 | 73.81 | ... | ... | ... |
| Ceylon | 0.7 | 69.32 | 64.9 | 66.89 | ... |
| Pakistan | 7.6 | 58.34 | ... | ... | ... |
| Malaysia, West | 2.1 | 52.75 | 69.7 | 59.50 | 49.8 |
| Korea, Rep. of | 41.8 | 47.78 | ... | ... | ... |
| Indonesia | –2.9 | 45.46 | ... | 50.87 | 41.7 |
| India | 4.3 | 43.86 | 28.0 | ... | ... |
| Thailand | 9.2 | 40.69 | 49.0 | 52.55 | 68.3 |
| Hong Kong | 12.3 | 31.77 | ... | 22.16 | 20.6 |
| Philippines | 8.7 | 31.37 | 41.4 | 45.33 | ... |
| China (Taiwan) | 23.5 | 25.83 | ... | ... | ... |

*Notes and sources:* *Coefficient of commodity concentration of exports* is defined in the text. For its computation, commodity was defined as SITC three digit commodity *groups,* amounting to 177 groups for the SITC *revised* (1965 calculations) and to 150 commodity groups for the earlier data (1954-59).

[a] ECAFE secretariat.

[b] Massels, B. F., "Export Concentration and Fluctuations in Export Earnings", *American Economic Review,* March 1964.

[c] Michaely, M., *Concentration in International Trade,* North Holland Publishing Co., Amsterdam, 1962.

disaggregated commodity classification than was available for the last year, the corresponding coefficients have an upward bias.[4]

Subject to these qualifications, the changes in concentration ratios over time reflect the change in the structure of exports. A consistent downward trend over the period under consideration, which reflects a consistent increase in the degree of commodity diversification of exports, is observed for Thailand and the Philippines. In Burma and Ceylon, the trend has been towards higher concentration. In West Malaysia, there was increasing concentration until 1959 after which it declined, reflecting bad markets for rubber. This experience underlines the economic ambiguity of changes in concentration when considered on their own. What appears as diversification may simply be due to the decline in the market for a leading export.

The degree of commodity concentration in the exports of ECAFE countries in 1965 covers a wide range, from the extreme 91 recorded for Cambodia to the low 25.8 for China (Taiwan). When the concentration ratios are considered in conjunction with the rates of growth of exports between 1960 and 1966, it appears that on the whole, countries with negative or low rates of growth of exports are also those with the highest commodity concentration ratios in 1965 and vice versa.[5]

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[4] Massels and Michaely as well as the ECAFE estimate for 1955 used the old SITC classification of commodities, which distinguishes 150 groups. The 1965 calculations are based on the revised SITC classification in which the number of groups is 177. While in both cases the highest possible coefficient obtainable is 100, which is obtained when a country exports only one commodity group, the lower limits are 8.2 for 150 commodity groups and 7.9 for 177 groups, which are obtained when a country exports all 150 (or 177) groups, in equal proportions. In such a case, the formula is reduced to $\frac{100}{\sqrt{n}}$, when $n = 150$ or 177.

[5] Spearman's formula for rank correlation gives a value of –0.6.

## Asian export commodities

*Forest products*

Among the primary commodity exports which showed considerable expansion an important place is occupied by forest products. In Europe, the use of tropical hardwoods for construction has grown rapidly during the last few years, and the import of plywood, mainly from ECAFE countries, has also increased rapidly in the United States. In Europe and Japan, the demand for tropical plywood and veneer is mainly met by imported logs rather than by imports of processed plywood. Exports of broad-leaved sawlogs and veneer logs from Asia increased from 11.8 million $m^3$ in 1964 to 15.3 million $m^3$ in 1966. Since world exports only rose from 19.39 to 22.8 million $m^3$, Asian exporters have increased their share in an expanding market. Given the production period for wood, the projected rise in world demand for tropical broad-leaved woods of 4.5-6.5 per cent may be difficult to meet without undue depletion of tropical forests.[6] Plywood now occupies second place in the Republic of Korea's exports and third place in those of China (Taiwan), while logs and wood occupy important places in the exports of Sabah and Sarawak in East Malaysia, and the Philippines.

*Fruit and vegetables*

Exports of vegetables and fruit have increased at rapid rates in the Republic of Korea and China (Taiwan). This is yet another commodity group for which world demand is rapidly growing. The income elasticity of demand for vegetables in developed countries is estimated to be the highest among the elasticities for major food groups as computed by FAO.[7] The elasticity of demand and total demand are less relevant to the estimation of export possibilities than the propensity to import from developing countries. An ideal combination would be a high income elasticity of demand with a high total-demand elasticity of imports from developing countries. This applies to bananas. The income elasticity of demand for bananas in the developed countries is estimated at 1.06 (compared to 0.40 for all fruit). It is the highest elasticity for any class of foods. Moreover, bananas are supplied almost entirely by developing countries. Banana exports from China (Taiwan) have increased at a rapid rate, and a considerable expansion is envisaged.

*Beverages*

Tropical beverages constitute the only other major class of foods which is almost wholly supplied by tropical producers. The income elasticities for the three main beverages in developed countries are, however, rather low, ranging from 0.32 for coffee to 0.13 for tea. India and Ceylon will have to look to the socialist countries for additional outlets, since income elasticities of demand there range from 0.61 for coffee to 0.70 for tea.

In other foodstuffs, developing countries have to compete with supplies from developed countries where production is often protected by tariffs or subsidies. Two cases in point are sugar, and oils and oilseeds.

*Sugar*

Between 1960 and 1965 sugar exports from China (Taiwan) declined at an annual rate of 2.8 per cent. In 1965, sugar constituted only 13 per cent of exports. The Philippines managed to increase sugar exports under the United States quota arrangements, but the importance of sugar as an export declined to about 20 per cent of total exports in 1965. Sugar illustrates the effect of protection, commodity agreements and other forms of interference on the trend of world import demand. The relatively high-cost beet sugar production has surged upward from an average of 15.58 million tons in 1955-1957 to 27.91 million tons in 1967 while cane sugar production rose from 24.36 million tons to 36.82 million tons. The proportion of beet sugar thus increased in that period from 39 per cent to 43 per cent.

In western Europe, the production of sugar satisfies a rising share of consumption, 73 per cent in 1966 as against 67 per cent on the average in 1955-1957. For all developed countries, production as a percentage of consumption rose in the same period from 59 per cent to 65 to 68 per cent. In terms of raw sugar, production in 1966 was 18.35 million tons and consumption 27.03 million tons.[8] Had the percentage excess of production over consumption remained in 1966 at the level of 1955-1957, an additional 2.43 million tons or 28 per cent would have been imported by developed countries.

About one-half of the trade in sugar in 1966 took place under special agreements such as the quota system of the United States, the Commonwealth Sugar Agreement and the agreement between Cuba and the Soviet Union. The residual trade is particularly subject to fluctuating market prices.

*Oils and oilseeds*

Exports of oils and oilseeds have also been held back by increased production of competing oils in the developed countries, and as a result of protection. Under the umbrella of price support, soya bean production has surged upwards in the United States while sunflower seed production has increased significantly in the Soviet Union.

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[6] FAO/ECE, "Study on the Consumption of Tropical Hardwoods in Europe", Supplement No. 9 to Vol. XIX of *Timber Bulletin for Europe;* FAO, *Commodity Review 1967*, and FAO, Agricultural *Commodity Projections 1975 and 1985*.

[7] FAO, *Agricultural Commodities—Projections for 1975 and 1985*, Vol. II.

[8] FAO, *Commodity Review*, 1967.

Protection in the developed countries, however, would still allow a greater, but limited, expansion of exports of oils and seeds from the developing countries than has taken place. As in the case of other major foods, output for export has not increased enough, partly because of increased domestic absorption.

### *Cereals*

The same problem of supply limitation affects cereals and forest products, especially coarse grains for animal feed and rice, which enjoy a high import demand in developed countries, or, in the case of rice, in developing countries. Cereals experienced in recent years a major change of the market position. After almost a decade of continuous excess production and the accumulation of huge stocks in exporting countries, which resulted in declining prices, recent years have witnessed a shortfall in world production. Stocks of wheat and coarse grains in developed countries started to decline while prices rose. The stocks of rice already at a low level came under continued pressure from the demand of developing countries, where production has not kept pace with consumption due to rapid population growth. Exports of maize, the most dynamic coarse grain during the past decade, rose by 18 per cent or 4 million tons in 1965/66 while sorghum shipments have increased by 70 per cent to a new record of more than 7 million tons, replacing barley as the second most important coarse grain in world trade. The demand for coarse grains, which is derived from the demand for meat in developed countries, is likely to grow further. During the 1960's, exports of coarse grains from developing countries have risen faster than world trade in coarse grains. In 1964-1966 such exports accounted for about 20 per cent of world exports in coarse grains.

The cereals problem and rice shortage has emerged only recently. During 1960-1965 several countries managed to increase rice exports considerably. China (Taiwan) did so at an annual rate of 52 per cent, Cambodia at 21 per cent, Thailand at 11 per cent and the Republic of Korea at 11 per cent. Burma's rice exports decreased by 1.1 per cent annually but rice still accounted for 62 per cent of total Burmese exports in 1965.

### *Fibres*

Thailand increased its export of jute (actually of kenaf, an allied fibre) by 37 per cent annually between 1960 and 1965, and became a significant supplier in the process. Thailand was aided by a rapid and continuous increase in demand for jute in the post-war years. This also allowed increasing exports of processed jute from Pakistan. Pakistan's raw jute exports decreased at an annual rate of 1.4 per cent while jute fabric exports increased at an annual rate of 10.2 per cent.

Meanwhile, jute was facing increasing competition from synthetics. The rapid rate of increase in world consumption of almost 5 per cent per annum during the post-war period started to slow down in 1964. Apart from competition from other materials, such as polypropylene in developed countries and hard fibre sacks in Latin America, the demand for jute suffered from changing ways of packaging, including bulk handling of commodities. These changes in technology affected other hard fibres as well: the increase in bulk handling facilities and larger size of ships reduced requirements for marine cordage in developed countries, while demand for industrial ropes and cables was also affected by competition from wire and synthetic fibre cordage. The demand for binder twine in North America and the United Kingdom also declined as a result of the switch from reaper binders to combine harvesters.

### *Rubber*

The competition from synthetics in the rubber industry is yet another threat to exports from ECAFE countries. Total world rubber consumption increased from a 1953-1955 average of 3.1 million tons to 6.6 million tons in 1966. The proportion of natural rubber in the total declined, however, from 58 per cent to 38 per cent in that period. This decline in the importance of natural rubber has not occurred uniformly. It is most marked in western developed countries. In the socialist countries, natural rubber consumption as a percentage of total rubber consumption seems to have risen slightly, from a 1953-1955 average of 39 per cent to 41 per cent in 1966. Since rubber consumption rose at a rapid rate in these countries their consumption of the natural material rose from 145,000 tons in 1953-1955 to 579,000 tons in 1966. As a market for natural rubber the socialist countries thus overtook the United States where consumption was 559,000 tons in 1966, an absolute decline from the 1953-1955 average of 605,000 tons. The proportion of natural rubber in total rubber consumed in the United States declined from 43 per cent to 33 per cent in the same period. In developing countries, rubber consumption rose very rapidly from a low base of 169,000 tons in 1953-1955 to 508,000 tons in 1966. The share of natural rubber in their consumption declined from 97 per cent to 56 per cent.[9]

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[9] FAO, *Agricultural Commodity Projections*, 1975-1985, Vol. I, table 1.

Although the consumption of natural rubber is still increasing, unit values have continued to drop. Countries in which natural rubber constitutes a leading export commodity are hardest hit by this decline. All these countries increased their total exports only slowly (table I-3). During 1960-1965, Indonesia's rubber exports decreased in value terms by 11.0 per cent annually, Malaysia's by 5.2 per cent, Brunei's by 25.3 per cent and the Republic of Viet-Nam's by 11.5 per cent. Malaysia has reacted to declining rubber prices by developing palm oil and other crops and by a rubber replanting scheme to make its rubber industry more efficient. These efforts, however, have not prevented a deceleration in the rate of aggregate exports.

*Cotton and cotton textiles*

The trend of consumption away from natural to synthetic fibres is universal. Thus between the average consumption of 1953-1955 and 1964-1965 the share of cotton fibre in the consumption of textile fibres is estimated to have declined from 63 to 51 per cent. In the developing countries (including Asian socialist countries), the decline was less—from 87 to 79 per cent.[10] The threat from synthetics concerns exporters of raw cotton such as Iran and Pakistan rather than the exporters of cotton textiles or clothing such as the Republic of Korea, Hong Kong, India and China (Taiwan). The exports of textiles based on imported synthetic staple or yarn are also expanding from several developing countries of the region. Judging from the increasing share of developing countries in the world trade in textiles and clothing, the comparative advantage of developing countries in textile manufacturing and in ready-made clothing is quite significant. In the case of textiles, a low income elasticity of demand and of output in developed countries goes together with high and increasing imports from developing ECAFE countries. The developing Asian countries were successful in capturing market shares in a rather stagnant market. Taking the world as a whole, total international trade in textiles and clothing merely doubled between 1953 and 1964 while total manufactured exports rose by 160 per cent.

*Metal ores*

Tin and iron ore are the two most important ores in the exports of Asian countries. Among the five major non-ferrous metals, tin has grown least in consumption. The average annual percentage rates of growth of consumption of the five major metals between 1920 and 1959 have been estimated as: aluminium 10.4, copper 3.6, lead 2.8, tin 0.5 and zinc 3.1. If the ten final years are taken, the following growth rates of consumption are obtained: aluminium 10.8, copper 3.7, lead 3.2 tin 2.3 and zinc 4.4 per cent. According to a United Nations source, the annual growth rates in consumption for these five metals between 1960 and 1964 were: aluminium 10.1, copper 6.7, lead 4.2, tin 2.0 and zinc 6.9 per cent. If developing countries' consumption is taken alone, the corresponding growth rates were: aluminium 14.0, copper 10.6 lead 10.1, tin 7.5 and zinc 8.5 per cent. If the developed market economies were taken alone, the following rates of growth were obtained: aluminium 10.0, copper 6.4, lead 3.8, tin 1.2 and zinc 6.7 per cent.[11] Tin, which is the most important export metal for several ECAFE countries, seems to be quite stagnant in both consumption and production.[11] The 1965 consumption level of about 165,000 long tons was lower than the peace time record of 171,000 tons in 1929. Current production from primary sources, about 153,000 tons, is below that of many years since the late 1920's.[12]

The pattern of tin metal smelting has changed considerably since 1960. In that year, Malaya had the only large-scale smelting industry in developing countries, smelting not only all of Malaysia's output of ore but also most of Thailand's and the bulk of Indonesia's as well. Most of the output of the three other major tin mining countries (Nigeria, Bolivia and the Congo) was refined in the United Kingdom and Belgium. In 1961 Nigeria established a smelting industry and in 1965 Thailand followed suit. Indonesia is also establishing its own smelting industry. This trend will accelerate the export of base metals at the expense of tin-in-concentrates. In spite of the slow rate of growth in the world consumption of tin, Thailand and Malaysia have considerably increased their exports of tin metal and ores, and have captured market shares of other producers, including Indonesia.[13]

The demand for metalliferous ores is mainly a reflection of the demand in industrial countries. This shows a cyclical pattern which is reflected not only in the output of the main end-use sectors, but also in stock variations. The demand for individual ores is influenced by the substitution of one metal for another, such as aluminium for copper, and to a lesser extent, for steel. Some plastic materials, notably PVC, are increasingly substituted for metals. Exports of non-ferrous metals grew in the 1950's mainly on account of higher growth rates in Japan and the EEC countries.

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[10] FAO, *Per Caput Fibre Consumption Levels, 1948-58; World Apparel Fibre Consumption, 1961 to 1963;* and *Per Caput Fibre Consumption, 1962-64.*

[11] United Nations, "Study of Prospective Production of and Demand for Primary Commodities: Prospective Demand for Non-Agricultural Commodities", E/CN. 13/49 mimeographed.

[12] International Tin Council, *Monthly Bulletin,* various issues.

[13] The 7.7 per cent rate of growth of tin ore exports from Thailand between 1960 and 1965 as shown in table I - 2 does not take into account the exports of tin metal which started in 1965.

*Petroleum and fuels*

With the exception of Iran, Asian producers—Burma, Brunei and Indonesia—have, for various reasons, not been able to take advantage of the rapidly expanding world demand. Petroleum production depends of course on the availability of reserves and this in turn depends to a large extent on resource discovery and on investment in resource discovery. As petroleum production is generally in foreign hands, resource discovery, production and exports are very much influenced by national attitudes towards foreign investment and by the attitudes of foreign investing companies. In Indonesia, a moratorium on new foreign investment in petroleum exploration was lifted only recently. Production is mainly from fields discovered before the Second World War and exports have not kept pace with world demand.

The expanding trade in fuels reflects both increasing fuel consumption and the change in its composition. Over the period 1955 to 1965, energy consumption per head (in terms of coal equivalent) in North America increased by 1.2 per cent annually, from 7,551 kilogrammes to 9,058 kilogrammes, while that in western Europe rose by 2.7 per cent annually from 2,332 kilogrammes to 3,049 kilogrammes. Since western Europe is deficient in fuels, the potential increase in exports from developing countries is very large. Of more importance is the switch from solid fuels to petroleum. The total world consumption of energy in terms of coal equivalent has been rising annually by 5 per cent, but petroleum consumption increases by 7.3 per cent each year. Consequently, the percentage of petroleum in the total rose between 1955 and 1965 from 29.5 to 36.7.[14]

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[14] *World Energy Supplies 1962-1965*, United Nations, Statistical Papers, Series J No. 10, New York, 1967.

## The structural and competitive aspects of the process of adaptation

The analysis of the commodity composition of ECAFE countries' exports and the more detailed discussion of selected individual commodity markets suggest that successful export expansion can be achieved in a variety of demand situations. Conceptually, a country's relative export performance can be broken down into two components, one which may be labelled the demand effect (or structural effect) and the other the competitive effect. A country's export performance over time is partly influenced by the trend in world demand for the products which the country exports at the outset. The fact that a certain product is already being exported reflects the availability of the requisite knowledge and skills, and the existence of a productive basis. The demand effect thus explains that part of a country's export performance that can be attributed to changes in international demand for its established (i.e. initial) exports. Numerous other factors have to explain the rest, which is called the competitive effect for short. A country may not be able to take advantage of a rising trend of demand for its established exports because it is running out of the required resources, or because its competitors are given preferential access to certain markets, or because its competitors have become relatively more productive. The competitive effect thus embraces a variety of causes not all of which are under the control of the particular country. The statistical identification of these components[15] is not without its ambiguities.[16] The structural component of a country's export performance over a given period is measured as that volume of exports which would have been obtained at the end had the country maintained its initial share in the market for each of its initial exports. A decline in aggregate exports might then be fully explained by declining international demand, and similarly for increases. If the structural effect by itself would have yielded a (hypothetical) volume of exports which differs from that actually attained, this difference — a value of exports or a share in world trade — is labelled the competitive component which can thus be either positive or negative.

The structural and the competitive component in the development of the exports of ECAFE countries can be indicated by analysing the behaviour of the developing ECAFE countries' exports relative to world trade in broad commodity classes. This is done in tables I-5 to I-7.[17]

The changes in the competitive position of the group of ECAFE countries appear rather different according to whether world exports as a whole or merely the exports of all developing countries are taken as the basis of comparison. If the developing ECAFE countries' exports in 1966 are compared with

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[15] H. Tyszynski, "World Trade in Manufactured Commodities 1899-1950", *Manchester School of Economic and Social Studies*, Vol. 19 (1951). His analysis was carried further to 1956 by S. Spiegelglass, *World Exports of Manufactures, 1956 vs. 1937*, in the same journal, Vol. 27, 1959.

[16] It involves the difference between a Paasche and a Laspeyre index number. Cf. Robert E. Baldwin, "The Commodity Composition of Trade: Selected Industrial Countries", *Review of Economics and Statistics*, Vol. XL, 1958, Special Supplement, pp. S-50ff.

[17] The analysis is based on the Standard International Trade Classification commodity sections (one digit), which among others, groups synthetic rubber and synthetic fibres with their natural counterparts in sections 2+4 (raw materials).

### Table I-5. The structural and competitive components in the change of export values, 1955-1966[a]

*(current value of exports in US dollars)*

| | Total (SITC 0—9) | *Food, beverages, tobacco* (0+1) | *Crude materials (excl. fuels) and oils, fats* (2+4) | *Mineral fuels and products* (3) | *Chemicals* (5) | *Machinery, transport equipment* (7) | *Other manufactures* (6+8) | *Miscellaneous commodities* (9) |
|---|---|---|---|---|---|---|---|---|
| *Annual rates of growth of exports to world* | | | | | | | | |
| 1. From world, 1955-1966 . . . . . | 7.4 | 5.5 | 3.8 | 5.8 | 10.2 | 10.6 | 8.3 | 8.6 |
| 2. From all developing countries . . | 4.6 | 2.9 | 2.0 | 6.8 | 8.3 | 13.7 | 8.1 | 3.4 |
| *Exports of developing ECAFE countries* (million US$) | | | | | | | | |
| 3. 1955 . . . . . . . . . . . . . | 6,850 | 1,710 | 3.210 | 550 | 100 | 75 | 1.141 | 64 |
| 4. 1966 . . . . . . . . . . . . . | 9,750 | 2,370 | 3,190 | 650 | 175 | 320 | 2.950 | 95 |
| *Hypothetical exports* (million US$) | | | | | | | | |
| 5. 1966 A . . . . . . . . . . . . | 12,193 | 3,081 | 4.844 | 1.021 | 290 | 226 | 2.731 | 159 |
| 6. 1966 B . . . . . . . . . . . . | 10,800 | 2,344 | 3,985 | 1.139 | 242 | 309 | 2,688 | 93 |
| *Competitive gains or losses* (million US$) | | | | | | | | |
| 7. 1955-1966 A . . . . . . . . . . | —2,443 | —711 | —1,634 | —371 | —115 | +94 | +219 | —64 |
| 8. 1955-1966 B . . . . . . . . . . | —1,050 | +26 | —775 | —489 | —67 | +11 | +262 | +2 |

*Sources:* Trade values taken from United Nations, *Monthly Bulletin of Statistics,* March 1961, 1962, 1967 and 1968.

*Notes:* *Hypothetical exports* — computed by applying to the 1955 export values of developing ECAFE countries (A) rates of growth of world exports, and (B) rates of growth of the exports of developing countries.

*Competitive gains or losses* — difference between actual and hypothetical exports value for 1966.

[a] Exports of ECAFE countries excluding Iran.

### Table I-6. Changes in the commodity composition of exports from the world and the developing countries, 1955-1966

| | *Year* | *Total (SITC 0—9)* | *Food, beverages, tobacco* (0+1) | *Crude materials (excl. fuels) and oils, fats* (2+4) | *Mineral fuels and products* (3) | *Chemicals* (5) | *Machinery, transport equipment* (7) | *Other manufactures* (6+8) | *Miscellaneous commodities* (9) |
|---|---|---|---|---|---|---|---|---|---|
| A. *World exports* | | | | | | | | | |
| 1. Value (million US$) . . . . . | 1955 | 92,770 | 18,230 | 17.370 | 10.260 | 4.710 | 17,120 | 23.790 | 1,290 |
| | 1966 | 203,480 | 32,850 | 26.210 | 19.050 | 13,680 | 51,540 | 56,940 | 3,210 |
| 2. Composition (percentage) . . . | 1955 | 100.00 | 19.6 | 18.7 | 11.1 | 5.1 | 18.4 | 25.6 | 1.4 |
| | 1966 | 100.00 | 16.1 | 12.9 | 9.4 | 6.7 | 25.3 | 28.0 | 1.6 |
| 3. Average annual change in shares (percentage points) . . . . . . | | | —0.28 | —0.51 | —0.18 | 0.14 | 0.60 | 0.19 | |
| | | | (0.87) | (0.93) | (0.82) | (0.97) | (0.97) | (0.88) | |
| B. *Developing countries: exports* | | | | | | | | | |
| 1. Value (million US$) . . . . . | 1955 | 22,860 | 7,490 | 6.610 | 5,690 | 210 | 120 | 3,620 | |
| | 1966 | 35,720 | 9,640 | 7,540 | 11.560 | 540 | 460 | 5,870 | |
| 2. Composition (percentage) . . . | 1955 | 100.00 | 32.8 | 28.9 | 24.9 | 0.9 | 0.5 | 11.5 | |
| | 1966 | 100.00 | 27.0 | 21.1 | 32.4 | 1.5 | 1.3 | 16.4 | |
| 3. Average annual change in shares (percentage points) . . . . . . | | | —0.588 | —0.652 | 0.645 | 0.059 | 0.067 | 0.463 | |
| | | | (0.82) | (0.83) | (0.86) | (0.91) | (0.94) | (0.79) | |

*Source and notes:* United Nations, *Monthly Bulletin of Statistics,* November 1967.

Using the method of least squares, the following linear relationship was assumed between annual changes 1955-1966 in shares and time changes: $y = a + \beta x$ where $y =$ shares of exports and $x =$ calendar years; $b$ measures the average annual change in shares (percentage points).

Figures in brackets are coefficients of determination ($R^2$).

Table I-7. The structural and "competitive" components of the change of shares in world exports: ECAFE countries,[a] 1955-1966

|  | *Year* | *Total (SITC 0—9)* | *Food, beverages, tobacco* (0+1) | *Crude materials (excl. fuels) and oils, fats* (2+4) | *Mineral fuels and products* (3) | *Chemicals* (5) | *Machinery, transport equipment* (7) | *Other manu-factures* (6+8) | *Miscella-neous commodities* (9) |
|---|---|---|---|---|---|---|---|---|---|
| *Exports of developing ECAFE countries:* |  |  |  |  |  |  |  |  |  |
| A. *Current values (million US$)* |  |  |  |  |  |  |  |  |  |
| (1) . . . . . . . . . . . . . . . | 1955 | 6,850 | 1,710 | 3,210 | 550 | 100 | 75 | 1,141 | 64 |
| (2) . . . . . . . . . . . . . . . | 1966 | 9,750 | 2,370 | 2,190 | 650 | 175 | 320 | 2,950 | 95 |
| B. *Actual shares of world exports (percentage)* |  |  |  |  |  |  |  |  |  |
| (3) . . . . . . . . . . . . . . . | 1955 | 7.4 | 9.4 | 18.5 | 5.4 | 2.1 | 0.4 | 4.8 | 5.0 |
| (4) . . . . . . . . . . . . . . . | 1966 | 4.8 | 7.2 | 12.2 | 3.4 | 1.3 | 0.6 | 5.2 | 3.0 |
| C. *Hypothetical exports* |  |  |  |  |  |  |  |  |  |
| (5) million US$ . . . . . . . . . | 1966 | 12,352 | 3,088 | 4,849 | 1,029 | 287 | 206 | 2,733 | 160 |
| (6) share of world trade (per cent) . | 1966 | 6.1 | 9.4 | 18.5 | 5.4 | 2.1 | 0.4 | 4.8 | 5.0 |
| D. *Gains and losses in competitive position 1955-1966* |  |  |  |  |  |  |  |  |  |
| (7) million US$ . . . . . . . . . |  | —2,602 | —718 | —1,659 | —379 | —112 | +114 | +217 | —65 |
| (8) percentage points (of world trade) |  | —1.28 | —2.2 | —6.3 | —2.0 | —0.8 | +0.2 | +0.4 | —2.0 |

*Sources:* United Nations, *Monthly Bulletin of Statistics,* March 1961, 1962, 1967 and 1968.

*Notes:* Rows (3), (4): Rows (1) and (2) divided by world export values.

Rows (5), (6): Hypothetical values obtained by applying 1955 percentage shares to world trade values.

Rows (7), (8): Difference between actual and hypothetical values.

[a] Exports of ECAFE countries excluding Iran.

what they would have been if these countries had in each commodity class maintained the share which they occupied in 1955, the total loss of competitive position amounts to about $24 billion (table I-5, row 7, and table I-7, rows 7, 8).[18] Gains only occurred in the class of "other manufactures" (including base metals, textiles and clothing) and in machinery and transport equipment (a category from which re-exports are difficult to eliminate). In all other classes, the ECAFE group failed to maintain its 1955 share. Had the shares been no more than maintained all round, the growth rate of export value for the group over the decade to 1966 would have been twice the actual level—approximately 78 per cent as compared with 42 per cent. The greatest loss of competitive position was sustained in the class of crude materials (including oils and fats but excluding fuels). Had the share been maintained in this, the largest single class of the ECAFE group's exports, while all other exports behaved as they actually did, total export values would have grown by approximately 70 per cent over the period as against the actual 42 per cent.

The commodity classes which underlie this analysis are very broad. Shifts of demand that occur within them can be quite massive in their effects on the established exports of the ECAFE group, but would not show up as such in the present analysis. But for this qualification, the comparisons in tables I-5 to I-7 would indicate that it was not primarily international demand which failed the traditional primary exports of the ECAFE group, but rather a combination of discriminatory policies and lagging supplies at competitive prices. A simple calculation based on data in tables I-6 and I-7 shows that for two out of three categories of primary commodity exports, namely crude materials and mineral fuels, the competitive losses were greater than the structural losses. Actual exports of these two categories in 1966 were $3,190 million and $650 million respectively. Had ECAFE's export shares remained at the 1955 level, the 1966 volume of world trade in crude materials and mineral fuels would have yielded them $4,856 million and $1,033 million respectively. On the other hand, had the commodity classes maintained their shares in world exports at the level of 1955, the present shares of Asian exports in crude materials and mineral fuels would have yielded them $4,642 million and $768 million respectively. In either case the results would have been better than the actual ones, but the greater loss in these two traditional commodity groups was sustained through the loss of market shares.

The details of this conclusion, though not its substance, change if the behaviour of the exports of all developing countries is taken as the standard rather than the behaviour of world exports. By so doing, the discriminatory effect of trade policies in the developed countries is largely eliminated. The distorting effect of the heterogeneity of statistical commodity classes is also reduced inasmuch as the commodity content of any one of these classes is more similar for exports from developing countries than for world exports (table I-5).

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[18] The estimates of competitive losses in tables I-5 and I-7 were computed by different methods. They differ because of rounding.

Once again, the ECAFE group is seen to have suffered an over-all competitive loss. Had the group maintained its 1955 share in all the classes of exports from developing countries, the value of exports would have grown 16 per cent faster than it actually did over the following eleven years. The relative gain in the competitive position in "other manufactures" is larger when the comparison is made with the developing world, but the competitive loss in the category of crude materials (excluding fuels) is still very marked. The other developing regions increased their shares in this commodity class at the expense of Asia. These gains occurred in the category of world trade which expanded least between 1955 and 1966 (table I-5, rows 1, 2). But in foodstuffs, another slowly expanding category, the ECAFE group's share rose at the expense of other developing regions.

The earlier discussion of individual commodity markets seemed to show that no generalization is advisable about the demand conditions which have in fact proved most or least favourable to the growth of exports. This view gains support from a recent study of the export performance of individual less-developed countries, much along the lines of the present analysis.[19] This, of course, says nothing about the cost to a country of increasing its share in particular markets while swimming against the tide of international demand.

The region picture is, of course, heavily coloured by the experience of one or two large economies. And yet the region is not a meaningless aggregate in the present context of resources, commodities and broad classes of demand rather than of national policy. The ECAFE group gained competitive position in two commodity classes which grew faster than the average of world exports, and the heaviest loss occurred in a category that remained almost stagnant in world exports. Thus, although the ECAFE group sustained a loss in four out of six commodity classes, this points to a significant influence of shifts in international demand on the actual export performance, and thus on the importing capacity, of the Asian countries. The unevenness of national performance is thus a sign of hope and a proof that scope exists for escaping from an unfavourable climate of demand for established exports.

An arithmetic exercise on the figures in tables I-6 and I-7 will sum up the point as regards the dependence of the regional export performance on the shifts of demand.

Table I-6 shows the changes between 1955 and 1966 in the shares of commodity classes in world trade and in the trade of developing countries. For the world as a whole, food, crude materials and fuels constitute declining categories of exports. Machinery, chemicals and other manufactures are the expanding categories of commodities in world trade. In the exports of developing countries, only the first two categories show a declining tendency while fuels constitutes the most rapidly expanding class. The changes in shares of world trade can be labelled structural changes; ECAFE exports can then be analysed in the light of these changes (table I-7). First, the actual shares of commodities exported by ECAFE countries are computed for 1955 and 1966. The hypothetical exports are the values which exports would have reached in 1966 if ECAFE countries had maintained their competitive position of 1955 in each commodity class. As in table I-5, these hypothetical exports in the various commodity categories amount to $12,352 million or 6.1 per cent of world exports in 1965. Actual exports were $9,750 million or 4.8 per cent of world exports in that year. The difference between the hypothetical exports of 1966, 6.1 per cent, and actual exports, 4.8 per cent, is the competitive loss of 1.28 per cent which was suffered by ECAFE countries. In addition, ECAFE countries suffered a structural loss. Had the ECAFE countries' total exports in 1966 been maintained at 7.4 per cent of world trade their value would have amounted to $15,057 million. Thus the structural loss is $2,705 million, or 1.33 per cent of world trade.[20]

What seems to be the slight predominance of the structural impediment to the growth of exports from the group of ECAFE countries raises questions about the future course of demand for the established exports of the region and for potential additions. Any discussion in terms of broad commodity classes, and of the experience of large groups of countries merely offers a background for the consideration of policy. The earlier examples of individual commodity markets are sufficient reminder of this.

Historical evidence of demand changes must be very closely interpreted before it can offer lessons. An examination of the income elasticities of demand for imports of commodity classes from different sets of countries form historical evidence of this kind. (Table I-8)[21]

Exports from developing countries of food and crude materials show the weakest response to income changes in developed countries though the market for foods in the developing countries looks somewhat more hopeful on this evidence. The elasticity is much higher for exports of manufactures though it appears least for the class of "other manufactures" in which the group of developing ECAFE countries has made some headway. Except for fuels and lubricants the income elasticities of demand for imports from developing to developed areas are lower than the corresponding elasticities for trade among the developed countries, and markedly so in the class of crude materials which is the main category in the exports of the developing Asian countries.

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[19] GATT, *International Trade 1965*, Geneva 1966, pp. 23-32.

[20] If the figures in table I-5 are used, the competitive loss, $2,443 million, is 1.2 per cent of world trade. Had exports during 1955-1966 grown in the same proportion as world exports, their value would have been $15,025 million. The structural loss is thus $15,025 – $12,193 = $2,832 million, or 1.4 per cent of world trade.

[21] The coefficients in table I-8 are elasticities of exports from different sets of countries with respect to income in certain sets of countries. They are, therefore, only an approximation of the corresponding income elasticities of demand for imports.

Table I-8. Rates of growth of the volume of exports related to rates of growth of GDP in importing regions, by broad commodity classes

*(elasticities of imports f.o.b. with respect to income)*

| | *Designation of ratio* | *Food, beverages and tobacco* | *Crude materials (excluding fuels) and oils, fats* | *Mineral fuels & products* | *Chemical* | *Machinery, transport equipment* | *Other manufactures* |
|---|---|---|---|---|---|---|---|
| *Growth coefficients 1955-1965* | | | | | | | |
| 1. Exports from world to developed areas, related to GDP (constant prices) in developed areas . . . . . . . . | $\beta$ | 1.08865 | 0.95675 | 1.98587 | 2.91863 | 2.37216 | 1.97388 |
| | $R^2$ | 0.979 | 0.931 | 0.976 | 0.990 | 0.992 | 0.993 |
| | $S\beta$ | 0.04793 | 0.07818 | 0.09318 | 0.08934 | 0.06394 | 0.08992 |
| 2. Exports from world to developing areas, related to GDP (constant prices) in developing areas . . . . . . . . | $\beta$ | 0.97028 | 0.90007 | 0.49071 | 1.75037 | 0.77229 | 0.38001 |
| | $R^2$ | 0.921 | 0.923 | 0.892 | 0.992 | 0.783 | 0.614 |
| | $S\beta$ | 0.08541 | 0.07797 | 0.05132 | 0.04685 | 0.12245 | 0.09115 |
| 3. Exports from developing countries to developed areas, related to GDP (constant prices) in developed areas . | $\beta$ | 0.60685 | 0.49764 | 2.34261 | | 1.93833 | |
| | $R^2$ | 0.895 | 0.884 | 0.992 | | 0.983 | |
| | $S\beta$ | 0.06240 | 0.05440 | 0.06424 | | 0.07539 | |
| 4. Exports from developing countries to developing areas related to GDP (constant prices) in developing areas . | $\beta$ | 0.72771 | 0.11293 | 0.67682 | | 1.53789 | |
| | $R^2$ | 0.907 | 0.109 | 0.894 | | 0.903 | |
| | $S\beta$ | 0.07022 | 0.09772 | 0.06998 | | 0.15232 | |

*Sources:* For basic data: United Nations, *Monthly Bulletin of Statistics;* United Nations, *Yearbook of National Accounts.* $\beta$ — elasticity of exports with respect to income; $R^2$ — coefficient of determination and $S\beta$ — standard error of estimate.

For the growth coefficients, double logarithmic equations were used; $\log y = \log a + \beta \log x$ ($y = ax\beta$), where $y$ = commodity exports and $x$ = GDP. $\beta$ therefore measures the coefficient of import demand with respect to income. Time series between 1955 and 1965 were used.

Underlying these income elasticities are the responses of demand and output to income in the markets of the Asian countries. In the past, income and technology, progressing together, shifted the balance of output in the developed countries to industries that were intensive in domestic value added. The invention and development of synthetic inputs and the progressive economy in raw materials made the growth of the developed economies the more autarchic the faster it proceeded. The extent to which these well-known trends affect the growth of imports is not so certain. Insignificant differences between income elasticities of demand and the corresponding income elasticities of output can translate themselves into an excess of the income elasticity of demand for imports over that of demand.[22] Growth changes the pattern of domestic supplies as well as demands. Thus, the import content of manufactured goods supplies in large industrial countries (France, the Federal Republic of Germany, Italy, the United Kingdom, the United States and Japan) declined from 5.9 per cent in 1929 to a post-war low of 2.8 per cent in 1950. But it rose again to 4.4 per cent in 1959. For small countries the percentage declined from 26 in 1929 to 18 in 1950 and rose again slightly to 21 in 1959.[23]

While developing countries cannot expect to affect the course of demand in developed countries, they may hope that growth in the longer run and changes in commercial policies in the shorter run may stem the process of declining dependence of developed countries on the export of the developing ones. Chapter IV will deal with the scope for some such policies. Individual developing countries, but especially groups of them, may, on the other hand, succeed in devising domestic policies or reaching agreements which will make the best of the demand situation that faces them at a given time. Some of such measures are discussed in chapters II and IV below.

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[22] Let d = elasticity of demand; s = elasticity of output; m = elasticity of demand for imports, all with respect to income; and let q = domestic output and i = imports. Then, $m = d + (d - s)\frac{q}{i}$. With d = .9, s = .8 and domestic output four times as great as imports, m = 1.3.

[23] A. Maizels, "Import Trends in Industrial Countries", *New Directions for World Trade,* Oxford University Press, 1964.

## Appendix

## THE CHOICE OF EXPORT INDUSTRIES: NOTE ON RECENT CRITERIA

The discussion of the degree of concomitance between changes in the pattern of demand and in the composition of Asian exports (chapter I) leads to the question of the planning of exports. In the discussion of policy instruments for the inducement of exports (chapter II), it has to be assumed that choices about what production to develop for exports have somehow been made. Existing or available procedures for making these choices, if they can make any pretence to being systematic and based on economic considerations, call for a discussion which is necessarily more technical in character than the rest of this study and is therefore presented in the form of an appendix.

### *Export promotion and import substitution*

The choice of export industries has occasionally been disregarded by planners partly because it was felt that export prospects for most developing countries are gloomy, but also because the international demand for exportables is not within the control of national planners, so that they naturally feel less certain about controlling and influencing this sector than industries which are import-substituting.

However valid export pessimism may be as regards the current export structure of developing countries, it is by no means clear why exports of 'new' goods cannot be begun and expanded. There are no doubt difficulties in breaking into new markets, but unless it is believed that these are insuperable it would not be correct to assume that 'new' exports cannot be promoted. When setting up a new industry the relevant considerations need not only be satisfaction of domestic demand but also the possibility of building capacity to meet export demand both now and in the future.

Moreover, increasing autarchy is just not an alternative route of development for small countries with limited markets and poor natural resource endowments. Most modern industries require large markets to exploit economies of scale, and the small domestic markets of many of the smaller countries in the region would not be able to provide sufficient demand for these industries to be run at their optimal level. Unless perpetual high-cost production is to be tolerated, the only option will be either to import the products of such industries, or, if they are set up domestically, to export the output which cannot be sold at home.

Limited natural resources are even more important in circumscribing the ability of small countries to do without trade. Even if an increasing number of inefficient domestic industries are established and run below capacity, they will need an increasing volume of imported raw materials and intermediate goods, which will have to be financed by increased exports. It is not surprising therefore that for nearly all countries (be they developed or under-developed), there is an inverse relationship between size and the country's dependence on foreign trade.[24]

Although autarchic development may be feasible for the larger countries, it is almost certainly non-optimal, in the sense that if international trade had been used a higher social product could have been generated by the same domestic resources. This is due to the well-known classic arguments about the gains from an international division of labour. If it is impossible to trade internationally because no increase is possible in either current or future export earnings (which seems extremely unlikely) or because trade is not possible for political and strategic reasons (the Soviet Union in the 1920's and 1930's and mainland China today), then an autarchic pattern of development may be the best that a large country can do to foster economic growth. Neither of these considerations seems to be relevant for most countries in the region.

### *Relevant factors in planning for exports*

In the past, planning for exports, as in the case of India, involved three steps. First, past trends in exports were projected to the terminal date of the plan in order to estimate expected export earnings. Secondly, the net deficit in the balance of payments was calculated by subtracting likely receipts from foreign capital transfers and the projected export earnings, from the import needs obtained from the detailed sectoral plans. Finally, the calculated deficit was added to the figure of expected export values to give a total needed level of exports if the implicit foreign exchange needs of the plan were to be met.[25]

This is no doubt a sensible first step in planning for the export sector. But by itself it is insufficient. For it is still essential to work out which particular industries should be expanded to generate an exportable surplus. This exercise has nowhere been done and marks the most important lacuna in current planning techniques. The correct choice of export industries must form an integral part of planning, and in making this choice the important factors to be borne in mind are:

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[24] S. Kuznets, *Modern Economic Growth*, Yale, 1967.

[25] For example, the Indian Perspective Planning Division in its 'Draft Fourth Plan Material and Financial Balances' (Planning Commission, New Delhi, September 1966) states: "The aggregate earnings (from exports) are estimated at Rs 5100 crores during the Fourth Plan period. This implies growth of exports at the rate of 9-10 per cent per annum, *which appears necessary* for limiting aid to Rs 3700 crores and for achieving self reliance by the beginning of the Sixth Five Year Plan" (p. 127). (Emphasis supplied.)

(*i*) current and future world demand for the products being examined, which reduces to the problem of estimating existing and likely future prices of commodities in world markets;

(*ii*) diversification of exports to minimize the risks and uncertainties inherent in trying to estimate changes in future world demand conditions. Current export concentration ratios for some countries in the region were given in table I-4 above. Considerations of probability together with the high cost of re-phasing import-dependent development projects establish a case for the diversification of exports for these countries;

(*iii*) the economies of large-scale production. and hence the limits of the demand which can be generated in the domestic market.

This poses the question of the criteria, if any, which planners can use to select export industries.

*The classical criterion of comparative advantage*[26]

It must be remembered that the choice of export industries forms part of the general problem of choosing the optimum pattern of trade and production for the economy as a whole, both in the present and in the future. The classical theory of international trade provided a simple criterion which could be used to solve this general equilibrium problem at the levels of the project, the sector and the economy.

If product and factor markets are perfect and there is universal free trade then the domestic market prices of products will be the same as their world prices. The real social cost of producing any good domestically will be given by the value of the factors used, valued at market prices. The net social benefit from starting or expanding production of any good will be given by the difference between the world price of the good in question say $p$, and the factor cost involved in producing it (valued at market prices), say $c$. The net social benefit from producing the good (NSB) is then

$$NSB = p - c$$

This can be expressed as a percentage of the social costs involved to give an index of the net benefits generated by using one unit of domestic resources in producing this particular good. The resulting index is nothing else but an index of the comparative advantage of producing this particular good. This index is

$$\frac{p - c}{c}$$

We can now rank prospective industries in order of their comparative advantage index, and clearly those at the top of the list are the ones in which the country has the highest comparative advantage, and are thus the industries whose goods ought to be exported.

However. this criterion cannot be used in practice, because it is based on the assumptions of perfect product and factor markets. In practice, domestic prices of goods and factors do not represent the real social costs and benefits of producing or using these goods and factors. It is generally accepted, for instance, that the market wage rate in industry does not represent the true social cost of labour in the typical Asian conditions of a surplus labour economy. The real measure of social costs is opportunity cost, which is the value of output foregone somewhere else in the economy by using a unit of the input (in this case labour) in the industry under consideration. In a predominantly agricultural surplus labour economy this 'opportunity cost' may, for many kinds of labour, be close to zero. Even if account is taken of the transfer costs of moving the surplus labourer from agriculture into industry, the social cost of using a unit of labour in industry will still be substantially lower than the market wage an industrial producer has to pay for his labour. Thus the costs in the comparative cost index would be higher than the real social costs if we used market prices to value labour.

Apart from these imperfections in factor and goods markets, there are imperfections due to government intervention in the form of many protective devices, taxes and subsidies. Most market prices of goods and factors of production will diverge from their real social values. Hence the need to calculate 'shadow' or 'accounting' prices which reflect the true social costs and benefits. Thus one is now looking for some way in which the index of comparative cost, including potential changes in the future, can be made operational by finding some way to value inputs and outputs at prices which reflect real social costs and benefits. Once this can be done the social value of setting up a particular industry in line with a country's comparative advantage can be determined, and industries in which the country has the highest comparative advantage will then be potential export industries.

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[26] The theoretical argument in this and succeeding sections is based on: Deepak Lal, *Foreign Exchange Bottlenecks, Balance of Payments Investment Criteria and the Optimum Pattern of Trade and Production.* Oxford, January 1967, mimeographed.

### *Foreign exchange costs minimization criterion*

Given the chronic balance of payments difficulties of most developing countries, it is tempting to conclude that foreign exchange is the primary scarcity holding up their development and hence that foreign exchange is the only scarce factor of production for these economies. On this view, the only social costs incurred by such an economy are foreign exchange costs, and hence those industries should be chosen and developed for which foreign exchange costs per unit of foreign exchange saved or earned by producing the commodity are the lowest. If by producing the commodity the economy is saving foreign exchange (if it is an import substitute) equal to the c.i.f. price of the good, say $p$, or if it is earning foreign exchange (if it is an exportable) equal to the f.o.b. price of the good, say $p'$; further, if the social costs in both cases are the direct and indirect foreign exchange costs of importing the raw materials and intermediate goods which go into producing the good, and the sum of these costs is, say, $f$, then on the foreign exchange costs minimization criterion, industries would be ranked according to the index:

$$\frac{p-f}{f} \text{ or } \frac{p'-f}{f}$$

and those for which this index was highest would be potential export industries.[27]

This is the criterion which has been used implicitly for project evaluation in both India and Pakistan.[28] But it has serious limitations which flow again from the assumptions on which it is based. The crucial assumption is that only foreign exchange costs (direct and indirect) represent real social costs to the economy. This can only be so if a country is in a 'strict' foreign exchange bottleneck,[29] which implies that it cannot obtain needed inputs for domestic production either by importing them, as it cannot increase its export earnings to pay for these imports, nor by producing them at home.[30] In such a situation it is correct to say that all other inputs and outputs apart from those which save or earn or use foreign exchange are socially costless or free. The only costs and benefits then are the actual direct and indirect foreign exchange costs and benefits, and the output: foreign exchange costs maximization criterion is the one which the country should use in choosing all its investment projects.

However, these rigid assumptions which are needed for the existence of a strict foreign exchange bottleneck (and hence the validity of this criterion) seem unrealistic for many developing countries. Though current export earnings are not buoyant, it is unlikely that they could not be increased by trading at worsening terms of trade, or that 'new' exports could not be developed which could be sold at constant terms of trade. The criterion is really valid for countries which have been forced, or are choosing, to develop autarchically. It is an extreme import substitution criterion and is hardly valid for most of the countries in the region.

If foreign exchange is not the only limitation on a country's development, then various other domestically available inputs also have social opportunity costs. Domestic goods and factors of production are no longer free, and prices reflecting the social costs of using these inputs in the industry in question rather than somewhere else in the economy, must be imputed to them, and taken into account in working out the net social benefit from the project. Domestic prices cannot be used because they are distorted, hence the need for shadow prices.

### *Shadow prices and the programming criterion*

The shadow prices of primary factors of production are the social marginal value products of the factors. If the supply of the factor is fixed, for example land and labour, then this shadow price is the social opportunity cost of using the factor, which is then the social value of its marginal product in an alternative use. If foreign exchange is looked upon as a primary factor, it must be remembered that unlike the other primary factors its supply can be increased. The shadow price of foreign exchange must, therefore, represent both the costs of increasing the supply of foreign exchange (given by the terms of trade at which the country can sell its exports) in terms of domestic resources that have to be given up to earn another unit of foreign exchange, and the benefits from having one more unit of foreign exchange (given by the marginal productivity of foreign exchange in domestic factories). In equilibrium the costs must equal the benefits. This means that exports should be expanded till the resource cost of earning another unit of foreign exchange is equal to the contribution which foreign exchange makes on the margin to the domestic social product. Thus, when it is said that a 'shadow' exchange rate should be used in project evaluation for developing countries, this implies that the marginal cost of increasing exports is lower than the marginal benefit of increased imports, and hence valuing imported inputs at the current exchange rate would be to undervalue their benefits in terms of their marginal product.

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[27] This applies strictly only to industries whose output has been valued at f.o.b. prices.

[28] In India for example, this is the criterion which is used by the Industrial Bank, ICICI, in its investment appraisal of private sector investment projects. The Pakistan *First Five Year Plan* explicitly states: "The purpose must be to invest in those industries which save the largest amount of foreign exchange in relation to the cost of the investment. An investment which saves an amount of foreign exchange annually equal to 50 per cent of the investment should clearly be given priority over an investment which only saves in foreign exchange 10 per cent of its cost every year." (Government of Pakistan, *First Five Year Plan,* December 1957, Chapter 21, para. 22, p. 406)

[29] A proof of this, as well as the distinction (and explanation) between strict and non-strict foreign exchange bottlenecks can be found in D. Lal, *op.cit.*

[30] For a strict foreign exchange bottleneck to exist, both the foreign and domestic rates of transformation must be zero.

In principle, mathematical programming provides a means of obtaining these shadow prices, and hence of solving both the macro-economic problem of optimum allocation of resources and the micro-economic problem of providing a criterion for project evaluation. For if all demand and supply schedules are known for the planning period, including the input structure of all industries, and if the available supplies of the primary factors—land, labour, capital and foreign exchange—are given, then a comprehensive linear programming model can be set up which can be used to maximize the value of the welfare function, subject to the constraints (in this case the available supply of primary factors). In the solution, all these primary factors will automatically be valued at their shadow prices. These shadow prices can then be used to calculate the domestic resources cost per unit of foreign exchange saved (earned), say $e_j$. The rule is then that all projects for which this index is greater than the shadow exchange rate, $e_s$, should be undertaken. The projects with the highest $e_j$ would be the potential export industries.[31]

In practice, however, the usefulness of this criterion is limited.

(*i*) If the project being considered is large in relation to the existing economy model, then the general model will have to be reformulated and shadow prices will have to be recalculated. Thus the computational task of setting up such a model, which is in any case great, will become even more complex.

(*ii*) The linearity assumption on which this approach is based implies constant returns to scale, and hence disregards the opportunities for economies of scale, which may be of great importance.

(*iii*) The input-output relationships on which such a model is necessarily based may not be known and may not be stable as assumed in this approach.

### *The world prices criterion*

A criterion for project evaluation in developing countries which was recently suggested by Mr. I. M. D. Little seems very promising from an operational point of view.[32]

The logical basis of this criterion can be stated very simply. Assuming for the moment that a country has perfect trading opportunities, that all inputs and outputs are tradable, and that there are no trade controls, then clearly the shadow prices of inputs and outputs are their world prices. The rule is then to value all inputs and outputs at their world prices, and industries for which the ratio of net benefits to costs is the highest will be industries in which the country will have the highest comparative advantage.

To make this criterion operational two of the assumptions must be relaxed: that there is perfect trade, and that all inputs and outputs are tradable. As regards the first it is clear that developing countries, at least in the markets for their exports, are faced by declining terms of trade on many export goods. As regards the second, it is obvious that there are a large number of goods and factors (land and unskilled labour for example) which are either non-tradable or non-traded goods.

How can these factors be taken into account in using a 'world prices' criterion? It is easy to take account of imperfections in the trading opportunities facing the firm. In this case instead of taking world prices reflecting average costs and revenues of the inputs and outputs, world prices reflecting the marginal costs and revenues should be taken. While it involves judgement, this is unavoidable in any estimates which try to peer into the future.

Non-traded goods, on the face of it, seem more intractable. But if it is remembered that what is needed is the marginal product and cost of the good valued at world prices, the problem is much easier. Many non-traded inputs can in turn be broken down into tradable inputs, and the latter can then be valued at world prices. For factors like labour the physical marginal product can be revalued at world prices to get the shadow wage rate, say, at world prices. Later, various simple rules for converting non-traded goods into tradable values are given.

This criterion thus offers a simple way of making a choice at the project level. It uses 'world prices' as shadow prices to value inputs and outputs, and thus avoids the use of distorted domestic prices. It does not require any of the complex computations which are needed to use the programming criterion.

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[31] For a description of this method see M. Bruno, "The Optimal Selection of Export-Promoting and Import-Substituting Projects" in United Nations, *Planning the External Sector, Techniques, Problems and Policies*, 1967.

[32] Mr. Little formulated this criterion in a paper entitled "Public Sector Project Selection in Relation to Indian Development" to be published in a Nehru memorial volume of essays (George Allen and Unwin, London). He is currently expanding it into a project manual (jointly with Mr. J. A. Mirrlees) for the OECD Development Centre. The Development Centre is currently undertaking industry studies in five developing countries, applying the Little criterion.

### *Projects and plans*

So far only project evaluation has been considered. How does choice at the project level fit in with the sort of macro-economic planning which has become common in a number of developing countries?

It is obvious that plans need projects, but do projects need plans? That this is so will be clear if it is remembered that every economy is composed of interdependent sectors, and to make the best use of given resources it is necessary to see that they develop in a co-ordinated manner. This implies planning of some sort.

The relationship between a given plan and the choice of projects can be seen most clearly if it is noted that investment is a way of converting presently foregone consumption into future consumption. It is a means of altering the time shape of consumption. The rate at which this transformation *can take place* is given by the productivity of investment. The rate at which it is *desirable* to make this transformation is given by society's preference or the weights attached to present as against future consumption. The former is the social marginal productivity of investment, the latter the social rate of time preference. At the optimum position these must be equal. Investment should be expanded till the marginal productivity of investment is equal to the social discount rate. All those investments should be undertaken whose net benefits over time, when discounted at the social time preference rate, are found to have a positive net present value. Clearly if the government can mobilize as much savings as it considers to be desirable, then all projects which earn a rate of return equal to the social rate of time preference should be chosen.

This then leads to the question of the choice of the social time preference rate. This is an extremely controversial and difficult subject at the moment.[33] But in practice it may perhaps be dodged by noting that every country which carries out macro-economic planning does the following exercise, if only in principle: it estimates the volume of investment which is feasible during a certain period, the productivity of this investment (this will depend upon the projects chosen) and the resulting growth rate. It then fixes on a certain rate of investment and rate of growth. But in so doing it is implicitly setting a rate of discount which weights present consumption against future consumption. This rate of discount will be the same as the social rate of time preference if in fact the government can mobilize the optimal level of savings and investment. But clearly in most developing countries, governments cannot mobilize the optimal level of savings, and hence the two rates will in fact be different. For purposes of project evaluation, however, it may not be inappropriate to reduce the inter-temporal net benefits generated by an investment project to its present value by using what may be called the implicit 'plan rate' of discount. For if the investment budget for any year is given and the marginal productivity of investment is correctly estimated, then this rate will in fact be the rate which will exhaust the investment budget after every project which can earn this rate has been undertaken.

### *Uncertainty*

In practice, especially in choosing export industries, future costs and revenues can only be forecast with a limited degree of certainty. To take account of this in using the world prices criterion, the prices of inputs and outputs which are assumed during the life of the project should be the statistician's 'expected' values, and the net benefits that are calculated should be expected net benefits. These expected values will no doubt require a great deal of judgement on the part of evaluators. This is unavoidable in any method which tries to predict and hence influence the future, and is therefore an essential feature of any form of planning.

This concludes the main theoretical considerations underlying the usefulness of a world prices criterion for choosing export industries (and in fact for choice at the micro level in general). Certain simple rules for using the criterion in practice are given below.

### *Policy after choosing*

As emphasized at the beginning of this note, the choice of export industries is only the first step in planning the external sector of an economy. The problems of actually seeing that the exports are made will depend upon further policies with regard to the exchange rate, trade controls in general and the organizational aspects of export promotion.

### *Annex: rules for using the world prices criterion*

For inputs and outputs that are actually imported and exported, take the c.i.f. price of the good if it is imported, or the f.o.b. price if it is exported.

For goods which could be imported or exported but are not because of import or export restrictions, take again the c.i.f. price if it is an importable and the f.o.b. price if it is an exportable.

This leaves inputs and outputs of non-tradables such as land, and of nontraded goods which are neither importables nor exportables because their domestic price in a free trade world would lie between the c.i.f. and f.o.b. prices. The difference between the c.i.f. and f.o.b. prices of a good in perfect trading conditions reflects the transport costs of moving the good in international trade. Thus non-tradables are goods for which these transport costs are very high (they are infinitely high in the case of land). Finally there will be many domestically bought inputs for which it may be difficult to get world prices, if the country does not actually import or export them. Various types of domestically bought machinery will fall in this category. Rules are needed to cover all these cases.

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[33] Cf., for example, A. K. Sen, "On Optimising the Rate of Savings", *Economic Journal*, Vol. LXXI, September 1961, pp. 479ff.

One may take first two of the important non-traded inputs for most projects: construction and electricity. The basic method for dealing with these items is to work out the marginal cost of producing one more unit of these services at tradable prices. Take construction. From input-output analysis, or from data on construction costs, the inputs into say Rp. 100 of construction can be broken down into the costs of various inputs, wages and salaries. The inputs can then be valued at world prices and the wages and salaries put into a separate labour column. Thus Rs 100 of construction at domestic prices will now consist of say Rs 50 of inputs valued at world prices, and Rs 25 for wages and salaries, leaving a residual which in this case is Rs 25. Now whenever any figures for construction appear in the project data, only half of their nominal value is taken as a direct tradable cost and a quarter as labour costs. Similarly, the costs of a rupee's worth of electricity (priced at its marginal cost) can be broken down into tradable and labour values. This leaves the problem of valuing labour. If it is not possible to estimate the physical marginal product of labour in agriculture (which will for most purposes represent the opportunity cost of labour) at world prices, the next best thing would be to collect the labour values in the costs and benefits resulting from the project separately, and then work out the rate of return on the project, assuming (*i*) that the shadow wage rate is zero, so that no labour costs are counted in the final summation of social costs and (*ii*) that the market wage represents the shadow wage of labour, so that the nominal labour costs are taken as social costs. These two rates of return will give the limits within which the actual rate of return will lie, and this should be a fairly good index of the relative desirability of undertaking different projects.

Next, one must examine methods for deriving the tradable prices of non-traded goods which are tradable but whose world prices are difficult to obtain. For these goods the domestic price is known and from this one must somehow arrive at the world price. Note that if the only form of trade controls were tariffs and subsidies, then the domestic prices of locally bought items would be higher on average by the extent of the tariff-cum-subsidy. Such an average tariff-cum-subsidy should include both the direct and indirect effects of the structure of trade controls. Calculation of such an average tariff-cum-subsidy must be an important part of using the world prices criterion in practice. Once this is known then it will not be far wrong to convert values of domestically bought items for which world prices are not available, into their world price equivalents, by deflating these nominal values by this average tariff-cum-subsidy.

As regards land, the simplest assumption is that the cost of land converted into tradable values by applying the average tariff-cum-subsidy, represents the capitalized value of its marginal product valued at world prices. Thus land can be converted into its tradable value by deflating its nominal cost by the average tariff-cum-subsidy.

If the phased capital and current production costs and outputs are available, then these rules will allow them to be reduced to annual net benefits at world prices. These net benefits for the life of the project can be converted into their present value by discounting by the 'implicit plan rate' of return, and all projects for which the present value is positive should be undertaken.

For export industries, the output will be valued at expected f.o.b. prices. Adjustments are needed if these vary with the output and over time. Furthermore, if a project's output is to be sold partly on the domestic market and partly on world markets, then c.i.f. and f.o.b. prices should be used respectively in valuing the different quantities being sold in the two markets.

For completeness, one last point must be mentioned. So far it has been assumed that the government does not want to use project evaluation to increase the over-all level of savings in the economy. This is an important simplification. When the rate of savings and investment in an economy is not optimal the assumption is clearly not valid. But it can be relaxed without affecting any of the rules. It essentially involves further analysis of the distribution of the benefits (still valued at world prices) between consumption and savings, and by giving different weights to the two.[34]

Finally, whilst using this criterion it must be remembered that, to minimize the risk and uncertainty associated with trade, it is sensible to select and develop a number of export industries, the correct over-all level of exports being settled within the framework of the over-all plan.

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[34] For means of dealing with the savings generated by the project see S. Marglin, *Public Investment Criteria* (Allen and Unwin, London, 1967) and the forthcoming project manual by I.M.D. Little and J. A. Mirrlees for the OECD Development Centre, Paris.

## Chapter II

# THE INDUCEMENT OF EXPORTS: FISCAL TECHNIQUES AND FOREIGN EXCHANGE POLICIES

The present chapter deals broadly with policies that are intended to modify the profitability of production for export or the prices at which goods from developing countries are offered to foreign buyers. It thus touches on tax inducements to producers, policies of import entitlement and straight exchange rate inducements, including policies which involve the creation of partial free markets for foreign exchange. The basic aim is always to increase foreign exchange income, whether from the sale of a given physical volume of commodities or through an increase of sales.

All such policies work, explicitly or implicitly, in a wider context. To maximize exports or foreign exchange income is not a rational end. Only one thing can be maximized at one time and in developing Asian countries this is normally taken to be some index of economic development. The choice between export policies is thus limited by the context of economic objectives and policies. If objectives or strategies are to be changed, this can best be done deliberately, on a clear understanding of the economic logic of alternative strategies and of the failures of earlier policies. In discussing the causes of inadequate foreign exchange resources, as is currently being done in developing Asia, a good deal of blame is being put on strategies of import substitution which figured in several Asian countries' development programmes in the past fifteen years. Import substitution is a loose term at best and even a cursory examination of what is supposed to have gone wrong demands greater specificity. Several of the alternative policies which are being tried out or debated in Asia will themselves stimulate further import substitution in the simple sense of production to replace imports. Export bonus voucher systems or exchange rate adjustments will have just that effect.

The real object of current criticism of past policies is partly the pessimistic view of export opportunities which underlay development strategy in several countries; but it is mainly a typical sequence of policies and inadequacies of implementation which occur not only in economies that seek to develop by industrialization through replacement of imports.

These sequences of economic policies involve in the first place the protection of domestic production which competes with imports. Whether this is done by tariffs or quotas, the effect is to turn the internal relative prices against exports and non-traded outputs except to the extent that these are complementary with the fostered outputs. Given some mobility of some scarce resources, or free choice on the part of the owners of newly generated resources, exports will grow at a lower rate than total output. Further restrictions of imports are motivated by the wish to reallocate resources between different uses. If resources in general are scarce this will only succeed if the "inessential" uses of resources are actually reduced by the whole amount that is to be transferred. If a corresponding part of private expenditure cannot be frozen into private savings, incomes will have to be reduced. But inadequacies of taxation and a general lack of control over incomes and their distribution transform these measures into additional and undesired stimuli to domestic production, normally of import substitutes. Imperfect control over expenditure may also be left out of account when projects are phased. There results an excess of demand which in turn reduces the effect of tariff protection and leads to reliance on quantitative restrictions.

The situation is likely to be accompanied by an unplanned balance of payments deficit or by a lower rate of income growth than anticipated. The currency in these circumstances is frequently described as overvalued which implies that a higher price for foreign exchange would reduce the deficit. Whether it would do so is a factual question about elasticities of export demand and the possibility of raising savings or of deflation. Where economic growth is held back by insufficient savings, for instance, domestic capital formation has to be cut if devaluation (or currency depreciation) is to have an effect, however high the elasticities of demand for the country's exports. An increased foreign exchange income in consequence of depreciation will not then allow faster growth except if it raises the efficiency of resource allocation in the country to such an extent that the withdrawal of scarce resources into exports is more than offset by the greater productivity of the economy's total resources. In the process of development, therefore, the criterion of overvaluation of the currency is complex: not only must the external balance improve as the currency depreciates, but the reduction in the tolerable external deficit (that which could be covered by loans or by the sale of external assets) must not reduce the rate of growth of income (after allowing for accruing debt charges).

To summarize, export policy as part of development policy needs to be considered in relation to the economy's objectives and its characteristics, unless it is to become a mere counter-slogan to import substitution.

## Fiscal instruments

*Relief from business taxes*

Relief from corporation taxes is widely used in Asian countries to encourage a variety of activities. The most obvious limitation of this instrument is due to the nature of corporate taxation: if no profits are earned, on the tax authority's definition of profit, the concession is useless. The second general limitation affects the selectivity of such exemptions, whether they are straight reductions of corporation tax liabilities or accelerated depreciation arrangements. It is in practice very difficult to distinguish between different activities and different sources of income of firms. Experience with accelerated depreciation allowances as they are granted in most countries has not shown them to be an unqualified success. The administration of these allowances is difficult while their incentive effect is not as directly understandable as a straightforward exemption from corporate tax (or reduction in the rate).

Corporate tax exemption has been used variously in different countries. In India and Ceylon, there have been limitations on the rate of profit which would qualify for tax exemption, while in Pakistan the requirement was that not more than 40 per cent of profits should be distributed and that the retained profits should be reinvested within a year.

But most of the tax exemption laws, for instance, in Ceylon, India, Pakistan, and the Philippines, were applied to all new industries, and these happened to be largely import-substituting in character. The differential benefit to export production thus depended on the range of approved industries and to its variation over time. As export industries were usually admitted to these benefits they derived an advantage over other industries that neither replaced imports nor exports. Export industries continued to benefit when Governments in the developing countries of Asia became more selective in the approval of import-replacing ventures. Schemes that make it attractive to engage in industrial export activities have been discussed only recently. In India, for example, a tax-free period of five years is allowed to all approved industries. After its lapse, export firms obtain relief by paying corporation tax at a rate which is five percentage points below that of other firms. In Ceylon, approved industries were granted in 1965 a corporation tax rebate amounting to 5 per cent of the gross value of export sales. To weaken the scheme's inherent incentive to import-intensive production—not a serious consideration in the present state of Ceylonese industry—the concession is limited to exports which yield a net foreign exchange earning of no less than 25 per cent of the f.o.b. sales value. More recently, all profits from the new exports of approved industries were granted three years' exemption from tax.

The introduction of a new law on investment incentives, passed in 1967, in the Philippines is interesting in this connexion. Enterprises which are registered with the Board of Investments are allowed: (1) tax relief amounting to twice the amount of promotional expenses; (2) tax relief amounting to twice the cost of shipping (if in Philippine vessels, or less if in foreign vessels); (3) a special tax credit on raw materials equivalent to 7 per cent of the total costs of raw materials and supplies or an amount equal to taxes on raw materials actually paid by the enterprise, whichever is higher. These provisions are intended to encourage industries promoted under the law to engage in exporting. In addition, the law provides a mechanism for subsidizing Philippine international shipping, which of course is a foreign exchange earner. The provision for the tax credit on raw materials enables the enterprise to eliminate the excise and customs taxes from the costs of goods manufactured for export. Incidentally, this provision is one solution to the troublesome problem of tax drawbacks mentioned below.

The major weakness of the Philippine investment incentives law is the large number of restrictive provisions concerning the qualifications of eligible enterprises. Moreover, significant incentives are offered to all forms of industry promoted under the law and the specific export incentive may thus lose some of its force. As regards the qualifications of enterprises, the law reserves most of the benefits to Philippine enterprises (defined as 60 per cent owned and controlled by *Filipino* citizens) except that other firms which engage in "pioneer" industries may also enjoy them for a maximum of twenty years.[1]

Deductions of promotional expenses are perhaps somewhat problematical because they allow write-offs on taxable income of expenses, which may not be concrete proof of ability to export. Besides, such provisions may encourage wasteful promotional spending.

Tax deductions on actual export performance have a sounder basis. Along this line, some proposals have been made concerning the use of corporate income taxation to promote exports. A possible version provides for full or partial exemption from corporate income tax of incomes earned from exports. The exemption from corporate income taxes can be on a progressive basis.[2] Corporations engaged in manufacturing may be allowed tax deductions at a progressive rate according to the ratio of export sales to total sales.

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[1] The law will be put into effect in 1968.

[2] G. P. Sicat, *A Design for Export-Oriented Industrial Development* (Institute of Economic Development and Research, University of the Philippines).

In implementing such a provision, the simplest administrative rule is the best. A simple solution is to compute the income tax liabilities derived from exporting as the total of income tax liabilities multiplied by the proportion of sales which are exported.

*Commodity taxes*

Exemptions from commodity (or sales) taxes offer export industries a type of preference which is technically more direct than the various forms of corporation tax relief. The effect of these concessions does not depend on the profitability of production but rather seeks to lower its costs. In principle, also, the selectivity of these systems can be more certain: it is easier to identify exported commodities than profits from exporting. In practice, however, the administrative obstacles to an accurate assessment of the taxes paid upon a commodity, which is needed for the determination of the drawback, are very great.

Protection of domestic production tends not merely to turn the relative domestic prices against exports but it also raises the cost of imported inputs into export production. On this latter account, it leads to a measurable discrimination ("negative protection") against exports. Recent work indicates the extent to which protection penalizes exports in certain developing countries of Asia.[3]

Drawbacks of sales and import taxes are widely applied as a form of discrimination in favour of exports. But in both cases the procedure is always very cumbersome. In India, for instance, an official committee investigated the problem of assessing the incidence of the indirect tax burden on exports and found that the refund of sales tax on raw materials and intermediate goods entering into manufactured products was unworkable.[4] It, however, recommended an *ad hoc* relief at the rate of one per cent of the f.o.b. value of manufactured goods exported and an additional *ad hoc* relief of 0.5 per cent of the f.o.b. value for those elements of cost that defy precise calculation.

Another suggestion for the solution of the problem of assessing and refunding taxes is the establishment of customs-bonded warehouses in which imported materials can be processed; or, better still, the establishment of export zones.

Hong Kong is an example of an export zone, since the whole economy is virtually devoted to export processing. Export zones are areas for industrial processing of tariff-free raw materials destined for exports. Apart from being able to absorb labour rapidly, export zones may be an important means of diffusing technical change into the rest of the industrial sector. To prevent such zones from becoming mere places for processing imported inputs, all sales from the domestic economy to the export zone should be treated as exports.[5] If the incentive pattern for industry is biased towards domestic sales and corrective measures are hard to implement, the establishment of an export zone has a lot of merit. In fact, a free trade zone can be made an instrument for linking the domestic sector with the zone, by encouraging the flow of domestic inputs into the export industries.

The difficulties of providing a full drawback of commodity taxes for export goods may be solved by more radical changes in the tax system. Such a change was recently proposed for Singapore,[6] a small economy which depends largely on entrepôt trade, including entrepôt manufacturing. The proposal aims at the substitution of a value added tax for the existing corporate income tax, the property tax on rentals, Singapore's new payroll tax, provident fund contributions by employers and most protective tariffs. Under the value added tax system, exports can be freed from tax by exempting the exported commodity from value added tax at the uniform rate and, in addition, by refunding to the exporter the taxes that were paid at preceding stages of production (including importation). The substitution of a value added tax for other business and sales taxes and import duties raises many questions (e.g. of distribution) but the only ones that are relevant to the provision of export incentives concern the incidence of benefits, the feasible relative size of the incentive and the relative ease of administering the exemptions.

As regards the first of these, the value added system concentrates tax relief on commodities rather than on firms and this seems a merit when compared with Singapore's present system, which includes exemptions from a percentage of the usual corporate income tax for companies that export a minimum amount of output.

Secondly, will this system of a value added tax with the described exemptions for exports give greater financial incentives to exporters than other systems? It must be assumed that the value added tax is being substituted for other business and sales taxes in such a way as to yield the same amount of revenue, and that all other measures to induce exports are unaffected by this substitution. The final answer will still depend upon the details of the replaced incentives which were connected with the operation of the replaced taxes, and on certain features of the economy. One can nevertheless discover a presumption for a larger relative financial incentive under the proposed scheme, because the exporter is refunded the tax paid at all stages of production (including his own), and this tax replaces, with equivalent yield, a variety of business taxes. While he may, under the replaced system, get full drawbacks of sales and import taxes, and also exemption from all business taxes, he will not receive the equivalent value of an exemption from the business taxes which his suppliers have paid. But this value is transferred to the exporter under the proposed scheme when all value added tax payments are refunded to him, since these payments when summed for the entire economy, are equal to the former payments of business taxes (e.g. corporation tax) and sales taxes. The presumption is not cast-iron, but it exists and if a value-added tax system is under consideration as a substitute for sales and other taxes, this possibly needs to be examined. An added attraction is the permission which GATT gives for the exemption of exports from value added taxes.

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[3] R. Soligo and J. Stern, "Tariff Protection, Import Substitution, and Investment Efficiency", *Pakistan Development Review*, Vol. V, No. 1 (summer 1965). John H. Power, "Import Substitution as an Industrialization Strategy", *Philippine Economic Journal*, Vol. V, No. 2 (second semester 1966).

[4] Directorate of Commercial Publicity, Ministry of Commerce, Government of India, *Report of the Committee on Sales Tax* (1964), pp. 44, 45.

[5] G. P. Sicat, *op.cit.*

[6] R. I. McKinnon, "Export Expansion Through Tax Policy: The Case for a Value Added Tax in Singapore", *Malayan Economic Review*, Vol. XI, No. 2 (October 1966).

Thirdly, the effects of the proposed system will depend, as in the case of all tax systems, on the mode of administration and this is affected by the relative ease of operating alternative systems in a strict way. Exemption of exports from value added tax is presumably no more difficult than full drawbacks of sales and import taxes, but it has already been mentioned that such full drawbacks are almost impossible. If the value added tax takes the place of further (business) taxes under which exemption is also given to exports, whatever solution is found for refunding and remitting value added tax to the exporter will save the administrative effort of assessing and remitting the entitlement to exemption from those other taxes. On this score, therefore, it seems logical to accept the argument for the proposed change in the tax system.

### *Export taxes*

Apart from forming an important source of state revenue, export taxes serve, in principle, to make the best in terms of foreign exchange revenue, of such exports as are offered by producers and to absorb fluctuations in world prices. The optimum use of export taxes has not been much studied. It is clear that conflicts are likely to arise between the various objectives: stabilization of producer prices may be a costly service and it may militate, in the case of domestically demanded export products, a sub-optimal supply of exports.[7]

The principle of maximizing social profit from exports justifies the use of export taxes for adjusting prices to elasticities of demand in foreign markets. Competition among primary producers might otherwise transfer an unnecessarily large part of productivity gains to foreign buyers. State purchasing and exporting organizations do occasionally take over the functions of export taxes.

A related use of export taxes is to counteract the structure of tariffs in the importing countries. Economic inquiry during recent years has explained and measured the difference between the formal and the effective degree of protection which processers of materials tend to enjoy in developed (as well as developing) countries.[8] This is due to the typical progression of tariff rates with the degree of processing. Tariff rates apply to the total (or gross) value of the imported commodity, and this gross value is composed of the value of the imported material and the value added in processing. Typically, the material bears a lower rate of duty than the processed goods. The processer in the importing country therefore enjoys a degree of protection which exceeds the scheduled rate of duty on the processed goods by the difference in the rate on the processed and the unprocessed import, related to the value added in processing. Coconut and its products offer the clearest case in point. Raw coconut, copra, coconut oil and desiccated coconut form the basic range of exportable forms. With the considerable differences in the degree of processing required for these various products, coconut exporters (in particular, Ceylon) have endeavoured to use export levies to encourage the export of coconut in processed form. Malaysia has also imposed an export duty of 10 per cent on logs and of M$0.02 per lb of loose rubber[9] to discourage the export of these products in unprocessed form.

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[7] The potential conflict between the revenue aspect of the other two purposes of export taxes is obvious and easily documented from regional experience, especially where the principle of export taxes is implemented by state exporting agencies.

Producers have, in effect, paid a very high price for reasonable stability of prices. There has been, for example, a large and continuing gap between the official purchase price of rice and the export price in Burma, China (Taiwan) and Thailand. The unit value of exports of rice during the past decade remained well above the price received by the producer. On the other hand, a similar scheme for jute in Pakistan did work rationally in 1949/50 and 1950/51 but had to be abandoned after the very heavy losses which the Government incurred in the following year. The copra export organization of Indonesia, beginning late in 1962, did apparently buy at very low prices from the producers. So, too, did the Indonesian rice-purchase scheme. Supplementary benefits did, however, accrue to the producer in the form of the privilege to purchase, at concessionary prices, a range of commodities which were in critical shortage at the time.

[8] See, for example, H. G. Johnson, "Tariffs and Economic Development", *Journal of Development Studies*, October 1965.

The use of export levies on the traditional export commodities can encourage a move away from their production. With the slackening of world demand for certain primary exports and the threat of excess supply, most countries of the region have attempted to increase productivity and thus to cut the costs of production. Productivity increases on the area under these crops would lead to an embarrassing glut on the market. There is thus an immediate reason for easing marginal producers into more profitable fields. Export taxes can assist by making it unprofitable for the marginal producer to remain in the industry and by making alternate fields of activity more profitable.

This however has not been easy to accomplish. The immediate need for foreign resources in primary exporting countries has made for considerable emphasis on the export of the maximum possible quantity. With a multiplicity of suppliers acting along similar lines the effects have been unwelcome for all.

Also, the displacement of the marginal producer has nowhere been easy because the immediate social cost is high. Even where the opportunity arose there were not only social factors to be reckoned with but also the unavoidable uncertainty as to the permanence of the observed price movements. The collapse of the low-grown tea prices in Ceylon in late 1966, for example, led to government intervention on the market as a buyer. So, too, in the rubber market of Malaysia in 1967.

*Subsidies*

Export subsidies are the most direct fiscal instrument presently in use to promote exports. India has recently revived their use, in combination with export taxes, to differentiate the effects of the devaluation of the rupee in 1966. At present, export cash subsidies in India are offered for a considerable range of export products, at rates up to 25 per cent of f.o.b. value.[10] Otherwise, export subsidies for exports have been infrequent in the ECAFE region. The Republic of Korea experimented with an Export Encouragement Subsidy Fund from 1961 which subsidized 4-46 per cent of export values for new markets, new exports and manufactured exports, with a high potential for growth being particularly favoured. The now defunct Sugar Export Subsidy Scheme of Thailand used the proceeds of a cess on sugar consumed in the domestic market to finance a subsidy on sugar exports.

*The rules of GATT*

Export subsidies in any form are not countenanced by the rules of the GATT agreement.[11] Retaliatory action by the importing countries is sanctioned in a number of cases. Article VI of the GATT agreement, for example, allows the application of 'countervailing' or 'anti-dumping' import tariffs to the extent of the export subsidy on the import. A further note to the same article allows retaliatory action when concessions have been granted to exports under schemes of multiple exchange rates. The application of such countervailing duties is, however, prohibited where indirect concessions have been granted to exports by exemptions from duties and taxes or where the operation of domestic price stabilization schemes leads to exports at less than the 'normal value'. While the concept of 'normal value' has wide latitude, many countries have, in practice, tended to use the foreign domestic price as the standard.[12]

These rules have not been much invoked against the subsidized exports of developing countries. In particular, anti-dumping measures are not, on the whole, being taken against developing countries. But it remains significant that many developing countries have thought it necessary to remain outside GATT.

## Foreign exchange policies

The following sections discuss foreign trade policy, and particularly the inducement of exports by means which involve the pricing of foreign exchange for importers and exporters of goods, services and capital. The choices which are relevant to these policies in developing countries can be resolved into two. The first is the choice between multiple exchange rates and a unitary rate, and related to it the choice between uniform and differential rate changes. The second choice is between fluctuating and fixed rates where the former involve a reasonably continuous adjustment through foreign exchange markets or by market substitutes. Markets tend to generate prices which clear the market while the market substitutes (e.g. the monetary authorities trading across the counter with importers and exporters) need not do so. But this is only an institutional distinction. Since the authorities can intervene in the market by absorbing or injecting foreign exchange — or, indeed, by licensing — the economic distinction is between various degrees and types of official intervention in the market.

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[9] Collection of the duty on loose rubber was to have begun on 1 January 1968 but has been postponed indefinitely because of the decline in rubber prices.

[10] Exports made till September 1968 of timber products; clay; steel castings, forgings, pipes and tubes; wire ropes and railway wagons. Cf. *Commerce,* 16 September 1967.

[11] The contracting parties to the GATT agreement from the ECAFE region are Australia, Burma, Ceylon, India, Indonesia, Japan, Malaysia, New Zealand and Pakistan, with Cambodia being an associated Government.

[12] See also Article XVI(4) of the GATT agreement: ". . . contracting parties shall cease to grant either directly or indirectly any form of subsidy on the export of any product other than a primary product which subsidy results in the sale of such product for export at a price lower than the comparable price charged for the like product to buyers in the domestic market". Prohibitions under this article are wide-ranging and include currency retention bonus schemes; direct subsidies by the government; remission of direct taxes etc. on exports and subsidized export credit guarantees. (Basic Instruments and Selected Documents, Ninth Supplement, GATT, Geneva, February 1961).

The most general argument for multiple exchange rates is identical with that for export taxes and subsidies. The latter policy assumes a certain price level which will result in part from general policy; the former assumes a given rate of exchange around which the effective rates are distributed and which in its turn is influenced typically by controlled demands and less easily steered supplies of goods. Given wide variations in the elasticities of demand and supply of the exports of individual developing Asian countries, with the low values typically attaching to some of the traditional exports, a positive foreign trade policy will seek to vary the rates (or the taxes and subsidies) so as to obtain the largest revenue from given supplies; and so as to stimulate the exports which will lead to the largest net additions to revenue. The latter objective has to be made consistent with long-range objectives regarding the structure of output. Normally one would expect consistency in that respect. The newer manufactured or processed products and certain new agricultural outputs that correspond to new demands (e.g. Thai maize for the Japanese market) have usually the more favourable demand elasticities, but need an initial stimulation of supply. In the case of a devaluation, for instance, the absence of differentiation by taxes or multiple rates between these different categories of commodities may cause a preventable loss in the form of a net transfer of resources to the foreign buyers of certain traditional exports or else a functionally meaningless internal transfer of income to their exporters. A uniform devaluation may therefore be larger than necessary and so would be the immediate deterioration in the terms of trade.

Mere reliance on demand elasticities for guidance on the relative level of exchange rates may lead to serious mistakes, especially when the rates for traditional exports are considered. In the absence of international commodity agreements, there is no reason why a particular country should abstain from undercutting its competitors in the production of traditional commodities. The elasticity of demand for a given country's exports may be quite high except where the computation allows for the probability of retaliation. On the other hand, some stimulation of the traditional export commodities from developing countries by allowing them preferential exchange rates (or subsidies) in the system of individual countries may be quite justified. These cases might be identified by combining the criterion of high demand elasticity with that of high expected productivity gains in given exports. This does not mean that a commodity thus selected for preferential fiscal or exchange treatment will not become the object of retaliatory price-cutting by competing exporters. The criterion of expected increase of productivity does, however, tend to raise the longer-run cost of retaliation to competitors unless their productivity increases in step.

If the differential pricing of different categories of exports is accepted, the choice between fiscal instruments and multiple exchange rates appears largely as a matter of administrative convenience. In terms of their selectivity, the two sets of instruments are rather similar: able to discriminate between products but not so much between uses or producers.

In foreign exchange policy, exports and imports have to be considered together. The merits of a system of multiple rates are seen when their wider potential as instruments of economic control and management is considered. Exchange rate policy plays a key role in plan implementation and economic stabilization in developing countries because foreign exchange is in most cases a key element in development projects. Exchange policy is also, by and large, easier to administer than fiscal and monetary policies which lack in developing countries the strong institutional foundation that makes them so effective in the control of developed economies. Foreign trade and exchange polic", and a multiple exchange rate system in particular, are no perfect substitutes for sophisticated and effective fiscal and monetary controls. It is, therefore, important that they should not be overloaded by great elaboration. This requirement of simplicity is reinforced by the consideration that the strain which these systems would have to take is greater than if they operated in developed economies where other instruments of control are well developed and capable of influencing demands and supplies when they are still in a very latent form.

If multiple rates are considered in their wider potential role, the case for using them in the more limited field of export promotion becomes all the stronger. Here as there, they form the only exchange rate system that requires a small degree of co-operation from other forms of economic control.

The most interesting use of multiple rates is in combination with fluctuating exchange rates, that is with free partial exchange markets. Two well-known variants are the Pakistan version of the export bonus system[13] and the Kaldor proposals for a system of multiple exchange rates.[14] The interest of the Pakistan system is partly its success and the experience that has accumulated in the course of its operation since 1959 and, technically, in the combination of considerable and flexible selectivity among products with rate adjustments that could in principle be continuous. Pakistan exporters can sell different proportions of their foreign exchange revenue in a free market, while importers buy different proportions of the foreign exchange which they need in this same market. Selection works by varying these proportions. There is no technical reason why the official exchange rate in such a system could not be varied independently of the free market, which would be free to adjust its own price. The technical principle of the Kaldor proposal is the same, though it envisages a simpler dual rate system and possibly a somewhat greater automaticity in the effect which demand in the free market, and thus the free rate, would have on the production of exports and import substitutes.

If there is a difference, it lies in the closer link of the Kaldor proposal — which is designed to be adopted by many countries — with the principle of comparative advantage, and generally with development strategy. The free market, partitioned off from the official market, would give guidance to the development of the new sectors of the economy. While the Kaldor proposal embodies a development strategy, the Pakistan system was thought of mainly as a system of export incentives.

These combinations of multiple exchange rates with partial free markets, raise the issue of fluctuating versus pegged exchange rates. Multiple rates can be introduced by way of selective devaluations, without free markets. The merit of flexible exchange rates is that exports and imports are symmetrically affected by rate movements. In the context of a multiple rate system, this means that the foreign exchange which is bought at a high price from one group of exporters has to be sold at a high price to importers unless the authorities are willing to bear the loss from selling low and buying high. If the authorities act in this manner, imports will have to be restricted by rationing rather than by price. This also raises the domestic price of imports, but the authorities may not be able to recover their losses by taxing the windfall gains of importers. With rate flexibility in at least part of the national market for foreign exchange, the income transfer is not to importers (through quota profits) but to exporters who are allowed to auction off part of their foreign exchange earnings. If exports are to be stimulated, their income transfer is functionally in the right direction. If the operation succeeds the economy will ultimately have more foreign exchange. The disposal of this additional foreign exchange calls for a compromise between social priorities and the need to give the exporter the incentives on which the system is built.

Since the size of the incentives and disincentives which the system establishes is partly determined in a free market, it is capable of continuous adjustment. This makes export incentives and import restraints less vulnerable to the countervailing effects of domestic price increases than are the usual fiscal incentives including export and import taxes.

In actual practice, these systems are likely to be undermined by falling revenues from staple exports. The tendency will then be to shift export commodities from the free market to the official market to supply the needed exchange for essential imports; or to attempt a merger of the markets by moving in the reverse direction. There does not, however, seem to be a compelling economic reason why these incentive systems should be any less fruitful at a lower level of foreign exchange income; any more than why a devaluation of the pegged (or fixed) official rate should conflict with their continued operation.[15]

The construction of multiple rate structures, whether in the form of partial free markets or not, raises above all the problem of the selection of export and import commodities for access to the different rates (or markets). Elasticities of demand are obvious criteria but difficult to assess except in a broad way. As the next section shows, there is a danger that multiple rate systems will contain a bias towards import-intensive production. In Israel, for example, export rates were therefore differentiated according to the contribution of domestic processing to the total export product.[16]

Ceylon's export bonus voucher scheme, which has attractive features of simplicity, gives eligibility to industrial exports provided that their net foreign exchange earnings[17] are not less than 25 per cent of their f.o.b. value. At that lower limit, 5 per cent of the earnings would be available for essential imports, 20 per cent being the unitary proportion of earnings for which bonus vouchers are issued to the exporter.

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[13] This is described in the next section of this chapter.

[14] N. Kaldor, "Dual Exchange Rate and Economic Development", *Economic Bulletin for Latin America*, November 1964.

[15] The point is discussed in the last section of this chapter.

[16] De Vries, G. Margaret, "Multiple Exchange Rates: Expectations and Experience", International Monetary Fund, *Staff Papers*, Vol. XII, 1965.

[17] The excess of earnings over the cost of imported inputs, excluding depreciation of capital equipment.

Where partial free markets are introduced, the distribution of imports between the free and the official market should take account of their varying role in basic consumer budgets, so as to minimize the inflationary effect of rises in import prices.

Further problems of selection and operation are taken up in the following description and discussion of the technical experience of some developing Asian countries which have operated multiple exchange rates in the form of partial free markets.

### *Trends in the exchange rate policy of ECAFE countries*

The following accounts of exchange rate policies in nine ECAFE countries have the sole purpose of illustrating policy trends that are relevant to the present chapter. The relevant characteristics of these trends in the post-war period can first be summarized, to serve as a guide to the accounts which, while quite brief, are necessarily encumbered with detail.

(*i*) *China (Taiwan) and the Republic of Korea* operated multiple exchange rate systems (or their equivalent) with partial open markets but the main feature of their policy was exchange rate adjustment (depreciation). In view of the strong open inflation which characterized both economies (China: Taiwan till 1961), this is hardly surprising. Both countries received massive and systematic aid from the United States, and inflation did not prevent quite rapid growth of their incomes and, especially, of their increasingly diversified exports.

(*ii*) *Philippines and Thailand*. The experience of the *Philippines* resembles that of China (Taiwan) and the Republic of Korea in many respects. While the Philippines experimented energetically with multiple rate and exchange retention schemes, its experience seems also dominated by exchange rate adjustment, culminating in the adoption of a unitary fixed rate. The inflationary setting of the early sixties probably explains much of this policy. So does the very traditional composition of production and exports which does not change quickly. *Thailand's* policy is characterized by the movement from a simple system of multiple exchange rates to a floating rate and then to a fixed par value. The range of Thai outputs and exports is narrow and mainly agricultural.

(*iii*) *India* is set apart from other developing ECAFE countries by the stage of its industrial development, the scope of its planning and its institutional and administrative resources. The range of problems which had to be considered in formulating a foreign exchange policy were thus somewhat different, and so was the scope for allocating basic resources and holding down for long periods the pressure of excess demand. India operated an equivalent multiple rate system, of limited extent, but its policy was chiefly characterized by rate fixity with one sharp devaluation.

(*iv*) *Pakistan* is alone among the developing ECAFE countries in having over a lengthy period relied consistently and with evident success on a combination of discriminatory (multiple) rates with partial free exchange markets. Continued import liberalization and reliance on the export bonus voucher system may have been made easier, or less immediately risky, by the receipt of relatively large amounts of external assistance.

(*v*) *Indonesia* continued over a lengthy period to operate a multiple rate system combined with partial free exchange markets. But its experience is overlaid by high inflation and by a stepwise depreciation of the official rate.

#### (*i*) *China (Taiwan) and the Republic of Korea*

In *China (Taiwan)*, the issue of new Taiwan dollar bank notes exceeded the prescribed limit late in 1949 and this trend continued in the year 1950 and early 1951. The market rate for the new Taiwan dollar dropped to NT$16 for one US dollar, even though the official rate was pegged around NT$10.30 to one US dollar. The Government responded with currency contraction and a tightening of import restrictions. Importers were required to deposit in advance of importation a certain percentage of the total amount of exchange applied for. This proportion was ultimately raised to 100 per cent. The high amount of advance deposit could not discourage import applications as commercial banks were prepared to give loans to importers for advance deposit purposes. The attempt to restrict imports by discriminating monetary policy thus misfired. In September 1953 the system of exchange allocation was based on performance, performance being judged by the foreign exchange earned and used by the applicant. The cost of exchange was also raised in the form of a defence tax of 20 per cent. The performance record system turned out to be open to abuse and was soon replaced by a commodity import quota system. Quotas were fixed for imports of different categories of commodities, and different certificate rates were applied. The imposition of defence tax on exchange settlements and the different certificate rates resulted in a system of eight different rates of exchange. In April 1958, a major exchange reform was attempted. The multiple rate structure was replaced by a dual rate and the commodity quota system was gradually liberalized and finally abolished. Importers were required to purchase exchange certificates in the market in addition to the exchange supplied at the official rate.

The effective exchange rate between November 1958 and August 1959 was the sum of the official exchange value of an exchange certificate and the official exchange rate, namely NT$36.08 buying and NT$36.38 selling for one US dollar. On 10 August 1959 a new official rate of NT$36.30 to one US dollar was established. All exporters and recipients of inward remittances were required to surrender their exchange receipts and were given the choice between cash settlement at the new official buying rate and an exchange certificate. All private importers could acquire foreign exchange from the Bank of Taiwan against exchange certificates. The rate for the exchange certificates was stabilized at NT$40 per US dollar by requiring the Taiwan Sugar Corporation to sell its exchange certificates at the posted price. In June 1961, the exchange rate was unified by devaluing the official rate to NT$40 per US dollar. This measure of devaluation proved initially insufficient. The black market rate went up as high as NT$51 to one US dollar. But with sizable aid funds from the United States, the authorities succeeded in stabilizing the official rate at NT$40.40 per US dollar and this devalued rate seems to have given a sharp impetus to exports. In May 1967, the authorities reduced the margin deposit on imports by 50 per cent, even though the United States aid grants were reduced to 25 per cent.

*The Republic of Korea*, after a drastic devaluation in September 1961, introduced a system which provided an exchange subsidy for private exports. Exporters automatically received a bonus on the official rate ranging from 7.7 per cent to 19.2 per cent. Premiums of 20 per cent were extended to exporters who started the export of new commodities and re-exported from bonded factories. Fifteen per cent premiums were granted to exporters to new markets, and smaller premiums were given to certain specific commodity exports.

These bonuses accompanied further incentives and cash subsidies. They appear to have stimulated the exports of manufactured goods in particular. The phenomenal increase in exports of 25 per cent in the year following the introduction of the bonus was not only due to the expansion of previously exported commodities, but also to the emergence of new exportable commodities. The currency reform of 1962 introduced the won, a new unit of currency which replaced the hwan at a conversion rate of 10 hwan to one won. The foreign exchange rate, however, was left unchanged at 130 won to one US dollar. In May 1964, an almost 100 per cent devaluation of the won was effected by the introduction of what was officially called a freely fluctuating exchange rate. In fact, however, the rate was pegged over considerable periods. The rate beyond which the exchange rate would not be allowed to appreciate was fixed at 255 won per US dollar. The actual market rate was quoted around 255 won per US dollar till June 1965.

In May 1965 the cash subsidies on exports which had been maintained at their old absolute rate were abolished. Apparently as a consequence of this change, the foreign exchange rate rose to a level (272 won for one US dollar) which approximated to the weighted average of the "fluctuating" rates plus the previous cash subsidies. After this, the fluctuating rate again remained virtually unchanged at this level. In place of the subsidies or premiums, an export-import link system was adopted. Import licences were given to exporters of new manufactured goods such as watches, television sets, radio and chinaware. Since a sizable portion (about 44 per cent in 1966) of the Republic of Korea's imports is financed by foreign assistance, the need for regulating imports through a still higher rate has not been felt. While there were only infrequent rate changes, those that occurred seem to have prevented the high inflationary pressures of those years from hindering exports. The exchange rates were adjusted to protect the various incentives to exporters. The range of the products thus stimulated is rather narrow, coming from mining and agriculture.

### (*ii*) *Philippines and Thailand*

In the *Philippines* the official rate was pegged at ₱2 per US dollar in the early post-war years in the hope that the overvaluation of the exchange rate, if any, would be corrected by low domestic prices following rising domestic production and a prospective rising trend in prices abroad. As United States disbursements, which financed a substantial flow of imports, tapered off, foreign exchange reserves declined substantially and controls on imports and exchange restrictions were soon introduced. A partial devaluation occurred in 1951 when an exchange tax of 17 per cent was imposed on all foreign exchange sold by the central bank. Incentives for exporters were introduced in mid-1950 by allowing them to exchange part of their exports for certain types of imports which generally were highly profitable. The incentive took the form of "barter transactions" or "no-dollar importations" (imports of those commodities for which the central bank did not allocate foreign exchange). The law provided that such imports could only be made "by persons or firms making the exportation on a straight barter basis when authorized by the Secretary of Commerce and Industry".[18] The implementation of this law was accompanied by much indecision and change, because the basic provisions were not spelled out specifically. However, some two years later, the rule about "no-dollar imports" which was adopted allowed exporters to utilize 15 per cent of their exports to any country in exchange for goods specified by the exchange control authorities, as follows: 25 per cent "essential producer imports", 25 per cent "non-essential producer imports", and 50 per cent "essential consumer goods". Philippine exporters reacted favourably to these incentives. A mild stimulation of new exports was observed.[19] This scheme was terminated in 1959, in part under the pressure of commercial interests which had been put at a disadvantage by the transition from licensing to a quasi-free market.

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[18] Republic Act 1410 (10 September 1955). For a review of the export incentives scheme in the Philippines during the period of controls, cf. F. H. Golay, *The Philippines: Public Policy and National Economic Development* (New York, Cornell University Press, 1961), pp. 153-158.

In early 1956, the 17 per cent tax on sales of exchange was replaced by a special levy on imports to be gradually reduced to nil by 1966. There was a growing feeling that the system of controls and the exchange rate had tended to deter exports and channelled domestic private investment towards the production of non-essential commodities.

In pursuit of the decision to dismantle import controls progressively over a period of four years, a special 'margin' fee of 25 per cent was collected from mid-1959 on sales of foreign exchange for all except about 16 per cent of imports and some payments for services. In April 1960, a so-called free market was established, although in fact the central bank set the exchange rate. Different proportions of foreign exchange transactions could be effected at the free market rate for different types of transaction and these proportions were changed from time to time. There was also a differential application of margin fee collections. As a result, exchanges between the peso and other currencies took place at different rates, ranging up to ₱4.00 per US dollar. The proportion of the exchange receipts and payments that were settled at a depreciated exchange rate rose gradually. In the third phase of the decontrol programme it stood at 70-80 per cent.

The phasing of the decontrol programme gave rise to uncertainty on the part of business regarding the time and degree of further depreciation. As a result, speculation developed against the peso; stocks were built up and export receipts held back. The situation was further aggravated by domestic inflation. The trade deficit worsened appreciably (from $102 million to $178 million) in 1961, the year following the relative freeing of the exchange rate. Imports of capital goods at the preferred rate had to be severely reduced (they were about 10 per cent lower in 1962 than in 1961) and the central bank suffered substantial losses from buying dollars at the higher rate and selling to importers of essentials. In January 1962, it was decided to allow the peso to float in an open market and to abolish virtually all controls on imports and other payments including capital transactions. Exporters were permitted to sell 80 per cent of their receipts at the free market rate. The remaining 20 per cent were to be surrendered to the central bank at the par value rate of ₱2 per US dollar. This was to limit windfall gains to exporters as a result of devaluation and to restrain monetary expansion through exchange profits accruing to the central bank.

The exchange reform was backed up by tight monetary policies which included raising of the central bank rediscount rate, higher reserve ratios and limited access to central bank credit. It was further supported by help from the International Monetary Fund (a drawing of $28.3 million and, in April 1962, a standby arrangement for one year for $40.4 million) and lines of credit from the United States Government and banks and the Bank of Spain. In November 1965 the Government completed the exchange reform by establishing with the IMF a new par value, and thus a unitary fixed rate of ₱3.90 per US dollar. The requirement that exporters should surrender 20 per cent of the proceeds from major exports at the previous par value of ₱2.0 per US dollar was abolished.

After the end of the Second World War, *Thailand* introduced a multiple exchange rate system to improve its balance of payments position and to insulate the economy from the effects of high external prices of rice, its main export commodity. There were two rates, a fixed official rate of baht 12.50 to one US dollar and a fluctuating free market rate, which usually moved around baht 20-21 to one US dollar. As regards export earnings, the official rate applied to rice and to about 20 per cent of the earnings from tin and rubber, the balance being allowed to enter the free market. On the payments side, the official rate applied to essential imports, government transactions and educational expenses. All other transactions were at the free market rate. As the domestic cost of producing rubber and tin moved up, exporters were gradually allowed to sell less of their exchange at the official rate. An effective depreciation for imports was achieved by gradually reducing the list of imports entitled to the official rate. Foreign exchange reserves rose sharply from a low level to $300 million by the end of 1955. The Government also was in a position to restore balance in its budget by mobilizing exchange profits which resulted from selling local currency to exporters at the official rate and selling exchange to importers in the free market. Thus the monetary effects of reserve accumulation were offset to a large extent. The unfavourable rate of rice exports did not result in a move away from rice production.

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[19] Amado A. Castro, "Philippine Export Growth, 1950-1965" (Institute of Economic Development and Research, University of the Philippines).

When the external price of rice began to weaken (by the end of 1955 it was nearly 30 per cent lower than in 1949), it became impossible for the authorities to maintain the official rate for the export earnings of rice. At the beginning of 1956 the multiple rate was abolished, and a freely fluctuating unitary exchange rate was applied to all exports. The range of fluctuation of the rate was very narrow. In October 1963 Thailand established with the International Monetary Fund a par value for its currency at the rate of baht 20.8 to one US dollar. By the stimulus which new primary products seem to have received, Thailand's experiment with multiple exchange rates must be judged successful. The declining price of rice rather than a withdrawal of resources from the production of the staple export seems to have led to the liquidation of the policy and a transition to a flexible (pegged rather than fluctuating) exchange rate. A flexible unitary rate was obviously regarded as an alternative to multiple rates. The new rate, depreciated on average, was regarded as sufficient incentive for the traditional as well as the new exports.

### (*iii*) *India*

After devaluing the rupee in September 1949 following the devaluation of the pound sterling, *India* firmly adhered to the same par value until June 1966. The Government endeavoured to contain by means of import controls the balance of payments pressures that developed mainly as a sequel to the implementation of three five-year development plans. Much attention and administrative effort was devoted to ensuring priority for raw materials, components and spare parts and capital goods required by the export and import-substituting industries. Exports were not growing, and in 1957, a new export incentive was provided by linking imports of raw materials and components with exports, through the Import Entitlement Scheme. This scheme was operated within the framework of import control. The exporter was allowed to use a specific percentage of the f.o.b. value for importing essential raw materials and equipment to maintain and expand export production. The exporter could sell his import entitlements on the open market where they fetched fluctuating prices, but always in excess of their face value.

In this fashion, a multiple exchange rate system was clearly established. Imports, in fact, were paid for at the official exchange rate, with the exception of those for which licences were purchased on the free market. Exports were exchanged for Indian currency at rates that varied according to their import content, this being the criterion for awarding import entitlements to exporters. This selecive principle of the multiple rate system resulted in rewarding those exporting industries which used the greatest content of imports. It thus encouraged exporters to increase the import content of their exports.[20] It was profitable to import commodities even at prices higher than those at which they were available in India. The result for the nation's import bill was likely to be unfortunate. Moreover, as import entitlements were for specific comodities, exporters did not know what their final rupee receipts would be, because prices in the import entitlements market fluctuated in accordance with demand for particular imported commodities.

Between 1959 and 1965, India's exports grew at an average rate of only 3.2 per cent. The Indian economy became subject to exceptional strains as a result of current shortages and inflation on the one hand and the associated continued loss of foreign exchange reserves on the other. In June 1966, the Indian rupee was devalued by 57.5 per cent. Following devaluation, all export promotional measures based on import entitlements and tax credits were abolished. Simultaneously, the Government made a drastic change in import controls and liberalized them significantly to permit an inflow of essential imports, raw materials and components for exporting industries. Fifty-nine export-oriented industries were designated as priority industries and import licences were issued to meet their full requirements of raw materials, components and spares on a six-monthly basis. Imports of raw jute, raw cashew nuts, wattle bark and raw hides and skins were placed under open general licence so that the exporting units and manufacturers could import these raw materials freely. The import policy announced for 1967/68 made further progress in the direction of liberalization by making import licensing need-based and continuous in the case of 59 priority industries. Arrangements were also made for prompt supplies of specified domestic raw materials to manufacturing units in the engineering, chemicals, plastics, processed food and garment industries, and of fertilizers and pesticides for major foreign exchange earners such as tea and coffee. The total amount of imports was, however, made to bear the weight of the 57 per cent devaluation. But the latter figure has to be deflated somewhat, if account is taken of the "*de facto*" degree of devaluation that had been reached before June 1966 through the working of the import entitlement scheme.

Exporters of industrial products which faced special difficulties arising partly from higher prices of imports following devaluation, were in need of special assistance to enable them to overcome price disparities and to meet effectively the price competition in foreign markets. Cash assistance up to a maximum of 20 per cent was given to engineering goods, iron and steel scrap, prime iron and steel, chemicals and allied products, woollen carpets, sports goods and processed food.

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[20] See I. S. Gulati, "Export Promotion Through Import Entitlement", *The Economic Weekly*, Vol. XVII, No. 21, 22 May 1965.

Certain exporters found, nevertheless, that devaluation gave them little if any advantage, and yet others had export taxes raised on their products. The intention was to differentiate the devaluation. But the impression left by the first set of post-devaluation measures is of a policy to discourage imports rather than encourage exports. The actual experience must, of course, be viewed against the background of the unfavourable real developments that affected India—severe drought and low or declining activity in important export markets.

To protect the unit value of exports of traditional export goods in which India's share in world markets had been fairly substantial, export duties were imposed on several traditional exports. The dutiable items accounted for roughly 60 per cent of total exports in 1965/66. The incidence of duty was not even; jute goods and tea, which accounted for 37 per cent of exports, bore a substantial tax burden.

The levels at which these duties were fixed reduced their competitiveness in the international markets at a time of grave supply difficulty. The consideration which weighed with the Government was that windfall profits would accrue to exporters in the absence of an adequate rate of export duty, as the share of these commodities in the world market was large. This argument is tenable so long as India's market share is growing and the foreign demand for its products is increasing. But high raw materials cost together with export duty rendered Indian jute manufactures uncompetitive in foreign markets and the share of Indian exports in the world market declined. The foreign demand for tea was slackening. An empirical study of demand elasticities for Indian exports for the period 1953 to 1962 revealed that substitution elasticities were quite high for several of India's exports,[21] but the post-devaluation tax measures did not allow this elasticity much effect. By the time that downward adjustments were made in the export duties on jute manufactures and tea, foreign demand had started slackening. As regards manufactures, some exports became less profitable if the value of incentives enjoyed by different products before devaluation was set against the incentive provided by the devaluation. For example, the cotton textile industry strongly pleaded, in vain, for a temporary subsidy on its exports because the rise in the domestic price of medium and short-staple cotton, which is used for the production of exports, had completely wiped out the incentive provided by devaluation. The cotton textile industry was not thus in a position to compete any more effectively than before in the international markets.

Failing an analytically satisfying examination of the Indian devaluation, it still has to be discussed on first principles and on this basis no final judgement is possible. After the adjustment of taxes, the grant of cash subsidies and further incentives, and after the severity of the drought had passed, exports began to increase markedly. During the first seven months of 1967/68 they increased 5.7 per cent over the level in the corresponding period of the previous year. The proportion of manufactured exports is also steadily increasing, though it is yet impossible to say what part the agricultural failures had in this.

### (iv) *Pakistan*

Pakistan's Export Bonus Scheme, which was introduced in 1959, allows exporters of manufactured goods and of some non-traditional primary exports such as rice and fish to retain a part (20 or 30 per cent) of their foreign exchange earnings. These retained earnings, called bonus vouchers, can be sold in the market for the import of a large number of items which command high prices because their import is restricted. The vouchers therefore command a premium of about 150 per cent above the official exchange rate. An exporter receiving bonus vouchers of Rs 30 on the export of goods worth Rs 100, could thus obtain Rs 75 for those vouchers in the open market.[22]

The success of the export bonus scheme is reflected in the rate of growth of exports covered by bonus vouchers. Between 1958/59 and 1966/67, total exports grew annually by 10 per cent while bonus exports rose on average by 22 per cent per year. As a proportion of total exports, bonus exports doubled in the same period, to 52 per cent in 1966/67; this process is, of course, also the result of a gradual extension of the commodity scope of the scheme.

Initially, the scope of the exports bonus scheme was limited and covered about one-third of total exports, mainly manufactured goods, notably cotton and jute manufactures, leather goods and all miscellaneous manufactures. Gradually certain service industries, minor primary commodities (like rice and oil cakes) and remittance of earnings by Pakistanis abroad were brought within its scope.

The export bonus scheme represents in effect a devaluation by about 30 per cent for exports covered by the scheme. The effective exchange rate applicable to different items in 1965/66 varied from about 120 per cent of the official rate in the case of jute manufactures to about 145 per cent for miscellaneous manufactures.

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[21] G. C. Da Costa, "Elasticities of Demand for Indian Exports: An Empirical Investigation", *Indian Economic Journal*, Vol. XIII, No. 1, July-September 1965, pp. 41-54. Cohen, Benjamin J. "Stagnation of Indian Exports", *Quarterly Journal of Economics*, Vol. LXXIII, No. 4, 1964.

[22] The market premium on bonus vouchers in July 1967 had gone up to 175 per cent as a result of the greater reliance of the import policy for July-December 1967 on bonus imports.

On the import side, however, the scheme involves a much more drastic price adjustment—an effective tariff of about 150 per cent or an exchange rate of Rs 12 per US dollar against the official rate of Rs 4.76. Items permitted for import against bonus vouchers can be brought in freely, but at this higher price. With a wide gap between the potential demand for and supplies of less essential consumer goods and scarce raw materials available under a policy of import restrictions, only an adjustment of this magnitude permitted the first experiment in a liberal import policy. Direct administrative or quantitative controls could be removed from a large number of items.

Among the problems that were met in the operation of the scheme there was, firstly, the irresistible tendency to multiply the bonus rates on different items because of continuous pressures for special treatment of different exports. As a result, the effective exchange rates have changed frequently in the past eight years, and not always in the same direction for different commodities. This made the actual administration of the scheme cumbersome and long-term forecasting by exporters more uncertain. In 1965/66, attempts were made to unify rates and simplify the operation of the scheme but the need for adjustments in different rates has greatly complicated matters.

A second problem relates to the effect of a varying level of subsidy on the pattern of investment. Industries which were least competitive, and therefore by implication less efficient, were considered eligible for the highest subsidy since otherwise they could not export. There are also indications that the present structure of the bonus rate tends to support industries in proportion to their import component. It is easy to understand how this comes about—the present import content will always seem to establish a claim for bonus vouchers. No detailed studies to identify industries with a long-term comparative advantage have yet been undertaken. But the bonus policy needs to be adjusted by this criterion, rather than by the short-term objectives of export policy.

Moreover, a large proportion of the resources available under the bonus scheme was used on less essential imports. This objection highlights the parallel administrative dilemma of determining goods 'eligible' for import under the bonus scheme and the resultant difficulty of 'maintaining' the bonus premium. On the one hand, it is argued that unless consumer goods or attractive imports are allowed, the bonus premium would not reach the desired level; others maintain that all imports should be obtainable against the bonus, and if the import of an item is to be discouraged, the penalty inherent in the bonus import can be supplemented by tariffs. Having decided to introduce a dual exchange rate in preference to quantitative restrictions or a uniform devaluation, it was necessary to leave the price mechanism to play with the minimum necessary interference. Interference there was, as is witnessed by the relative stability over lengthy periods of the market price of bonus vouchers. The principle of this stabilization is not wholly clear. The tendency to multiply exchange rates might usefully be curbed, and greater attention should be devoted to a study of market trends, and the influence of the scheme on different industries and the pattern of investment, to facilitate the correction of such long-term imbalances as may develop.

The export bonus scheme was preferred to a general devaluation firstly because only a certain proportion of exports (e.g. manufactured exports) needed a price adjustment in the world market. The great bulk of Pakistan's exports consists of commodities the revenue from which would not be raised by devaluation.

Also, the necessary extent of devaluation varies not only between different kinds of exports but much more drastically between exports and imports. A general devaluation will, in any case, need to be supplemented by additional tariffs or subsidies. (The highest effective export rate under the bonus scheme, for example, is Rs 6.38 per US dollar, but for imports it is Rs 12 per US dollar.)

The bonus system virtually allowed a free fluctuating and self-adjusting exchange rate for a substantial proportion of imports, which permitted the removal of administrative controls. Exports gradually become a more profitable activity than imports. Larger exports also facilitated a fuller utilization of installed capacity.

### (*v*) *Indonesia*

Indonesian foreign exchange policy developed in a setting of rapid inflation. A multiple exchange rate system developed from 1955 onwards, with numerous changes up to 1967. The system consists basically of a fixed rate and a free market component. The fixed rate consisted of the basic rate and the import and export taxes levied on the exchange transaction. The free market component is basically made up of export inducement certificates and foreign exchange entitlements. Inducement certificates were issued against foreign exchange in proportions that varied as between export commodities and they could be sold or used for specified payments. The foreign exchange entitlement allowed the exporter to use part of his receipts, again for specified purposes. Its separate operation was due to the manner in which exports were valued for the purpose of assessing taxes and issuing inducement certificates. This valuation was normally based on official ("check") prices which were less than the prices actually obtained by the exporter. The difference ("over price") became his foreign exchange entitlement. The mix of the fixed and the free components was varied from time to time. The multiple rate system which applied to all commodities except petroleum underwent repeated changes between 1955 and 1967. Particularly in the years before 1966, these reforms proved unequal to the task of improving the payments position. Growing domestic inflation appears to have swamped the attempts at discriminating incentives and controls. To some extent, however, the system failed in the earlier years because it was not operated in the way it was designed to be.

The exchange reform of 1955 sought to devalue the effective rate of exchange applicable to exports by eliminating the export tax and by providing export subsidies for a limited range of weak commodities. The existing systems of export inducement certificates, export-import linking and exchange auction were eliminated. The devaluation of the effective rate was not, however, sufficiently large to provide the necessary incentive. The export inducement certificates were restored by the exchange reform of 1957, which created for them a free market in which the effective exchange rate was to be determined without official interference. Export inducement certificates were issued in varying proportions against all exchange receipts and were required, again in varying proportions, for all foreign exchange payments, including those for essential imports. The reform thus limited the amount of foreign exchange that would be available for non-essential imports to the value of the export inducement certificates issued to exporters. But the Bank of Indonesia's policy of pegging the price of the exchange certificates reduced the incentives which the scheme was to provide. The Bank first tried to issue special certificates against its own foreign exchange reserves but since these were low, it announced ceiling prices for certificate transactions in the market. The Bank's intervention was strengthened by other direct measures which sought to reduce the period of validity of certificates and to restrict their transferability, the range of goods which could be imported against them and the issue of import licences for such goods.

The exchange reforms of 1959 and 1963 resulted in the devaluation of the basic official rate of exchange, to a minor extent in the earlier year but quite substantially in the latter. On both occasions, the devaluation of the basic official rate was accompanied by the elimination of the existing system of export inducement certificates and by a simplification of the structure of import surcharges. The devaluation of 1963 was accompanied by the abolition of the export tax and by an exchange retention scheme under which exporters were allowed to retain 5 per cent of their export proceeds and were also allocated a further 10 per cent (or 15 per cent in the case of producer-exporters) for imports of "essential" commodities. The net effect of the 1963 changes was a substantial devaluation of the effective export and import rates of exchange. The former was depreciated by roughly 40 per cent. The effective devaluation of the import rate was larger still. To soften the impact of the general devaluation on a few essential import items, particularly fertilizers, certain import subsidies were introduced. The measure succeeded to some extent in stimulating exports and restoring stability to the economy. The domestic price level did not increase in proportion to the devaluation. But since the basic cause of disequilibrium in the economy was excess demand, based on credit, the inflationary trend soon reasserted itself and frustrated the incentives which the exchange reform sought to provide.

At the end of 1965, stabilization was further attempted by a major reform of the exchange rate system to provide stronger incentives to exports and to encourage the return flow of the short-term funds which exporters had illegally built up abroad. Export bonuses were reintroduced, allowing exporters a portion of their export earnings in the form of foreign exchange certificates which could be sold in the free market or used to import specified commodities.[23] The proportion of export earnings entitled to bonus certificates varied according to the commodity category, and these proportions were revised twice in 1966.

October 1966 saw a major reform of foreign exchange policy. Its main feature was the transfer of all imports to one or the other of the two quasi-free markets. Import licences which had hitherto carried an entitlement to exchange at the official rate ceased altogether. The two exchange markets—one supplied by bonus exports and the other by the retained margin between actually achieved and officially fixed prices of export goods—were kept separate by requiring that specified imports be paid for with foreign currency originating in a particular market.

Category I exporters were entitled to receive 50 per cent of their earnings in Export Bonuses (BE) and were called upon to surrender the balance to the foreign exchange authorities at the fixed rate of 10 rupiah per US dollar. Category II and category III exporters were entitled to receive 75 per cent and 90 per cent respectively of their export earnings in BE. The surrender of the balance of export earnings in all cases at a nominal rate equal to one-twelfth of the BE rate[24] was a concealed export-tax, part of which was earmarked for stimulating the development (or financing the authorities) of the regions from which the export came. As a further incentive to exporters, and to induce them to bring back funds from abroad, the so-called "check prices" for the valuation of exports were introduced. The authorities generally fixed these official values at a level below the world price and revised them in line with changes in the world price level. As a result, the exporter could earn a premium if he could negotiate a sale of produce at prices above the check prices. This premium could be brought back and sold as supplementary foreign exchange (called DP) which commands a higher exchange rate on the local market as DP can be used to import non-essential and semi-luxury goods. The general effect of the reform was a sharp depreciation of the rupiah.

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[23] Exports were divided into three categories: (a) strong exports, including commodities such as rubber and palm oil; (b) medium strong exports, including commodities such as spices and cattle fodder, and (c) weak exports, such as handicrafts and vegetables.

[24] October 1966.

In 1967, the exchange system underwent two revisions. In the first quarter of 1967, to provide additional incentives to category III exporters, the check price was abolished and the exporters in this group were allowed to retain 100 per cent of their export proceeds or convert them into DP's. The revision in July 1967 to provide further incentives and plug certain loopholes, replaced the threefold classification of exports by a twofold one. Category I exporters were required to pay an outright tax of 25 per cent of their export earnings (as against a fluctuating implicit tax of a minimum of 44 per cent) and the balance could be retained or sold in the open market. Category II exporters were allowed to retain 90 per cent of their export earnings. The legal minimum check prices of category I exports were revised upwards as a measure to prevent undue diversion of export earnings to the DP market. The Department of Trade, which was supposed to adjust check prices to changes in the world market prices, does not seem to have done so. As a result, the margin between the check prices and the market prices of exports widened and, according to an official estimate, as much as 27 per cent of export earnings went into the DP market—leaving only 73 per cent for apportionment between export taxes and BE.[25] On the balance of the new measures, the loss to exporters due to raised check prices was more than made good by the sharp reduction of the export tax. Although it is too early to assess the impact of this exchange reform on Indonesia's export industries, a large part of the incentives had already been eroded by the adverse turn in the world market prices of its chief export commodities.

### *Leading features of the trends of exchange policy*

The preceding account of the national trends in exchange policy raises certain questions and points to some common experience of relevance to the subject of this chapter.

The outstanding impression is one of diversity. What appear to be broadly similar policies were associated with very different rates of growth of exports and imports. This is hardly surprising. The countries are heterogeneous in their resources, the state of agricultural and industrial development, institutions and administrative development. Foreign exchange policy is only one of many instruments that are needed to elicit supplies and direct them into the foreign markets.

Policy carried out in a setting of high inflation was also associated with very different results. But here it seems likely that the distinctive experience of China (Taiwan) and the Republic of Korea owe a good deal to the heavy transfusions of external assistance which these countries were receiving at the time, unlike Indonesia and the Philippines.

An interesting common feature of policy in several countries is the apparent unwillingness to let rates fluctuate freely in any market for foreign exchange, except in the black markets. What are called freely fluctuating rates were in fact systems of pegged rates. This applies as much to the Pakistan bonus voucher markets as to the free partial markets in China (Taiwan), the Republic of Korea, Indonesia and the Philippines. Market intervention was practised everywhere and in view of the generally downward trend of the exchange rates over the period under review, this must have been costly to the authorities. If the fear was of technical instability of the exchange rates (i.e. a constellation of elasticities of demand and supply which would cause currency depreciation to worsen the trade balance), then there was no point in creating the guided free markets. The degree of intervention that appears to have taken place everywhere may have been unnecessary. This is not to say that in a state of low resource mobility and institutional development (e.g. the absence of facilities for hedging) complete freedom in the whole market or in a partial market has much to recommend it. For the leading primary products of several Asian countries, free exchange markets would make little sense, and partitioning of markets is always a difficult operation. The absence of institutions which tend by their operation to stabilize markets may lead to sharp discontinuities and very wide fluctuations that are disturbing to producers and consumers and expensive to the economy.

As regards the partitioning of markets, several systems seem to have been unduly complicated and thus unnecessarily difficult to run.

Another impression relates more directly to the operation of multiple rate systems. In several countries the tendency was apparently to regard multiple rate systems as incompatible with devaluation or as redundant after it. When devaluation did take place, the multiple rate system was frequently abandoned. Multiple rate systems seem thus to have been regarded primarily as an alternative to devaluation rather than as a policy to discriminate between exports and between imports so as to maximize foreign exchange incomes from given supplies on the one hand, and to induce new exports by preferential treatment as a policy of structural diversification on the other. If a particular devaluation is represented as being sufficiently large to have made an otherwise satisfactory system of multiple rates superfluous, it may simply have been unnecessarily large. This argument is, besides, an argument against the use of price incentives for structural development of the economy. It may, however, be felt in some cases that after the decline in real income which preceded devaluation, the economy could no longer afford development by subsidies of new products. But this does not seem to have been the view in the countries surveyed above, where multiple rates tended to disappear upon devaluation.

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[25] *Bulletin of Indonesian Economic Studies*, No. 8, October 1967, p. 4.

To the last two points must be added the apparent tendency in several countries to move from fluctuating rates, which means from pegged rates to fixed (and unitary) rates. The burden which developing countries have thus to place on their fiscal policy and on allocation controls is correspondingly heavy. The case for fixed exchange rates is increasingly questioned in developed countries, and its leading proponents there do not on the whole recommend the system to developing countries.[26] It hardly needs adding that the fear of inflation, even in economies which are highly vulnerable to inflation, does not establish a case against letting certain prices fluctuate. Nobody would expect fluctuating rates to cure inflation. Only in a few cases may they help to insulate exports from the impact of domestic inflation (as appears to have been the experience in the Republic of Korea).

Generally, it seems plausible that the more skilfully direct controls can be worked, the less is there to be feared from the price increases which a market mechanism may generate; and the less the controlling potential, the more efficient reliance on areas of free pricing would tend to be.

The available discriminatory foreign exchange policies—to stimulate selected exports and to restrain specific categories of imports—are open to certain obvious defects. Firstly, such schemes easily develop a bias towards import-intensive production. This seems to have been the case in both India and Pakistan. Even though the import content of exports must at certain times be made the basis of foreign exchange entitlement, in principle this should be no more than a temporary criterion.

Multiple rate systems are generally open to the same defect for technically different reasons. If components—materials and spares—can be bought at a low price of foreign exchange while the output can be sold at a high one, the result may be an unnecessarily small amount of domestic value added in the new products. In the extreme case, value added may be negative by an economic valuation of the price of foreign exchange.

Lastly, success brings its own problems, as was pointed out in the context of Pakistan's experience. If partial free exchange markets are established for the purchase of certain types of goods even though general policy regards them as inessential, the production of similar goods at home is not easily stemmed. The socially acceptable pattern of development and of the distribution of real income in the longer run may thus be affected. The need to assert control over development becomes felt after the successful start of a system of export stimulation and partial import liberalization.

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[26] This became clear in the debate on an international monetary system after the Second World War, especially in the "key currency" concept.

# Chapter III

# PREFERENCES FOR EXPORTS OF MANUFACTURES AND SEMI-MANUFACTURES

In the discussions during the past few years about the trade preferences which developed countries might accord unilaterally to the developing countries to ease the balance of payments pressures which attend their development, the reference has quite generally been to manufactured or processed goods. The sensitivity of the issue of agricultural protection has combined with a variety of technical reasons to reserve primary exports for other forms of treatment. In the case of most tropical products, fiscal changes, i.e. reduced revenue tariffs and excise taxes, rather than preferences promise the greater relief. In other products, including those that developing countries produce in competition with developed countries, commodity agreements are accepted as the more feasible method of enlarging access to the markets of developed countries or, at least, of evening out price fluctuations and perhaps guaranteeing certain market shares.

The present chapter will accordingly discuss preferences for manufactures. It will deal first with preferences from developed countries, and secondly with the rather different problems of intra-regional trade preferences.

## Preferences from developed countries

The peculiarly strong interest of the developing Asian countries in schemes for giving manufactured exports from developing countries a measure of general preference in the developed markets has three reasons.

Firstly, the high shares of the developing ECAFE countries in the total exports of manufactures and semi-manufactures from all developing countries mean that this region would be more directly affected by such arrangements than any other developing region. Total exports of manufactures and semi-manufactures from the ten major exporting countries in the region[1] form 48 per cent[2] of the total of such exports from all developing countries in 1965. Hong Kong and India, with shares of 13 per cent each, are the leading exporters.

Secondly, manufactured exports from the region are growing a good deal faster than primary exports. Exports of primary commodities increased at an annual rate of only 1.1 per cent between 1955-1956 (average) and 1964-1965 (average) while those of manufactures and semi-manufactures increased at an annual rate of 8.8 per cent in the same period. At the same time, the percentage share of manufactured exports in total exports rose from 20 per cent to 32 per cent. This reflects the growth of manufacturing and the widening range of available goods. (The percentage of textiles in total manufactured exports declined over the same period from 44 to 36.) It also indicates a measure of competitiveness which may make trade preferences productive. However, preferences can only be given to the extent of existing protective tariffs or quotas, and high-cost manufacturing might not be much helped by what can be offered within these limits.

Lastly, certain preferential agreements already benefit some of the developing Asian countries. These are the British Commonwealth preferences which cover the major exporting countries in the region, French and French overseas arrangements with Cambodia and the Democratic Republic of Viet-Nam and the Philippines-United States preferences. If new preferential schemes are superimposed or substituted, trade patterns established by the existing preferential arrangements will be drastically changed. If new preferences are to be wholly at the expense of producers in developed countries, the operation of the old preferences will, when changed or superseded, give rise to the only important problem of compensation as between developing countries which adhere to this type of arrangement.

### *Changes in the composition of exports*

The rate of growth and of diversification of the manufactured exports of the developing Asian countries, which was cited earlier as evidence of their general ability to benefit from preferences in developed markets, may be further examined to discover the range of goods that are already available for trading. As regards the composition of manufactured exports, the developing ECAFE countries still rely heavily upon the exports of light manufactures. The percentage share of light manufactures in the total manufactured

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[1] The major exporters of manufactures were, in 1965, Hong Kong (12.9% excluding re-exports), India (12.8%), West Malaysia (5.5%), Singapore (4.8% including re-exports), Pakistan (3.0%), China (Taiwan) (3.0%), the Republic of Korea (1.7%), Iran (0.7% in 1964), the Philippines (0.7%) and Thailand (0.5%). Figures in brackets show the percentage shares in the total exports of manufactures and semi-manufactures from all developing countries.

[2] Including re-exports.

Table I-9. Manufactured exports of the developing ECAFE countries: relative specialization, 1955 and 1965

| *Commodity class* | *Year* | *World exports (million US$)* (1) | *Exports of the developing ECAFE countries (million US$)* (2) | *Share of the developing ECAFE countries (per cent) (2/1)* (3) | *Index of relative specialization*[a] |
|---|---|---|---|---|---|
| Primary commodities . . . . . | 1955 | 45,860 | 5,470 | 11.9 | 1.62 |
| (SITC 0-4) . . . . . . . . . | 1965 | 73,620 | 6,080 | 8.3 | 1.65 |
| Manufactured goods . . . . . . | 1955 | 45,620 | 1,316 | 2.9 | 0.39 |
| (SITC 5-8) . . . . . . . . . | 1965 | 109,620 | 3,090 | 2.8 | 0.56 |
| Chemicals . . . . . . . . . . | 1955 | 4,710 | 100 | 2.1 | 0.29 |
| (SITC 5) . . . . . . . . . . | 1965 | 12,210 | 165 | 1.4 | 0.27 |
| Light manufactures[b] . . . . . . | 1955 | 16,130 | 986 | 6.1 | 0.83 |
| (SITC 6, 8 less base metals) . . | 1965 | 35,740 | 2,260 | 6.3 | 1.26 |
| Textiles . . . . . . . . . . . | 1955 | 4,710 | 570 | 12.1 | 1.64 |
| (SITC 65) . . . . . . . . . | 1965 | 8,290 | 1,060 | 12.8 | 2.56 |
| Base metals . . . . . . . . . | 1955 | 7,660 | 155 | 2.0 | 0.27 |
| (SITC 67, 68 less 681) . . . . | 1965 | 16,000 | 410 | 2.6 | 0.51 |
| Machinery & transport equipment | 1955 | 17,120 | 75 | 0.4 | 0.06 |
| (SITC 7) . . . . . . . . . . | 1965 | 45,670 | 255 | 0.6 | 0.11 |
| All commodities . . . . . . . | 1955 | 92,770 | 6,850 | 7.4 | 1.00 |
| (SITC 0-9) . . . . . . . . . | 1965 | 186,110 | 9,310 | 5.0 | 1.00 |

*Source:* United Nations, *Monthly Bulletin of Statistics.*

[a] The index of relative specialization compares the share of a particular commodity class in ECAFE exports with its share in world exports. It is here computed as the ratio of the former to the latter share. If this ratio has the value 1(2) the commodity class is as important (twice as important) in ECAFE exports as in world exports.

[b] Including textiles (SITC 65).

exports remained at 74 per cent between 1955-1956[3] and 1964-1965[3], and about half of the light manufactured exports were textiles in 1964-1965[3].

The index of relative specialization[4] of manufactured exports from the developing ECAFE countries (table I-9) also indicates that only light manufactures showed a strong comparative advantage in relation to the rest of the world, assuming that this interpretation of the prominence of individual commodity classes in regional exports relative to their prominence in world exports can be interpreted in this sense. The relative specialization index of the region for light manufactures increased from 0.83 in 1955 to 1.26 per cent in 1965, due to the exports of textiles, which showed the highest standing of the relative specialization index in 1965. In both primary commodities and in manufactures, exports remain concentrated on a limited range of items. A gradual structural change is nevertheless at work. Table I-10 shows the process of diversification of manufactured exports. While the values of manufactured exports from the major exporting countries in the developing ECAFE region increased between 1962 and 1966, the share of major selected commodities decreased except in Hong Kong[5] and West Malaysia. The composition of light manufactured exports from the developing ECAFE countries has also somewhat diversified. The shares of textile yarn and fabrics, which are leading export items for these major exporting countries, decreased between 1962 and 1966, except in the Republic of Korea. In India and China (Taiwan), the decrease was particularly drastic. Since the shares of the other commodities remained more or less unchanged, the residual manufactured exports must have increased their share at the expense of textile yarn and fabrics.

### *The direction of exports*

A change is also apparent in the direction of manufactured exports from the developing ECAFE countries. Exports of manufactures are expanding towards developed countries and eastern Europe, but not towards developing countries. The share of all developing countries[6] in the total manufactured exports of the developing ECAFE countries declined substantially from 57 per cent in 1955-1956 (average) to 38 per cent in 1964-1965 (average). In the same period, the share of all developed countries increased from 41 per cent to 58 per cent, and that of eastern Europe from a low level of 0.2 per cent to 3.5 per cent.

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[3] Averages of two years.

[4] See table I-9, footnote a.

[5] Excluding re-exports.

[6] Excluding China (mainland).

## Table I-10. Commodity composition of manufactured exports (SITC 5—8) from major developing ECAFE countries, 1962 and 1966

| *Countries and commodities* | *SITC* | *1962* | *1966*[a] |
|---|---|---|---|
| *China (Taiwan)* | | | |
| (1) Value of total manufactured exports (1,000 US$) | 5–8 | 100,879 | 270,903 |
| (2) Commodity composition (percentages) | | % | % |
| Chemicals | 5 | 15.5 | 6.9 |
| (Fertilizer, manufactured) | (561) | (1.6) | (1.3) |
| Machinery, transport equipment | 7 | 3.8 | 14.4 |
| Rubber manufactures | 62 | 0.8 | 0.6 |
| Textile yarn and fabrics etc. | 65 | 32.7 | 22.6 |
| Veneer, plywood etc. | 631 | 10.5 | 12.3 |
| Paper and paperboard | 641 | 2.7 | 2.3 |
| Cement etc. | 661 | 7.3 | 7.1 |
| Metal manufactures n.e.s. | 698 | 0.2 | 0.8 |
| Clothing not of fur | 841 | 11.0 | 9.5 |
| Total of selected commodities | | 84.5 | 76.5 |
| *Hong Kong*[b] | | | |
| (1) Value of total manufactured exports (1,000 US$) | 5–8 | 531,665 | 946,064 |
| (2) Commodity composition (percentages) | | % | % |
| Chemicals | 5 | 2.0 | 1.0 |
| Machinery, transport equipment | 7 | 5.0 | 9.8 |
| Textile yarn and fabrics etc. | 65 | 19.4 | 17.0 |
| Clothing not of fur | 841 | 37.5 | 37.7 |
| Total of selected commodities | | 63.9 | 65.5 |
| *India*[c] | | | |
| (1) Value of total manufactured exports (1,000 US$) | 5–8 | 605,074 | 751,873 |
| (2) Commodity composition (percentages) | | % | % |
| Chemicals | 5 | 2.6 | 2.7 |
| Machinery, transport equipment | 7 | 1.2 | 2.8 |
| (Power machinery, non-electric) | (711) | (0.2) | (0.3) |
| (Road motors, non-electric) | (732) | (0.1) | (0.3) |
| Rubber manufactures | 62 | 0.2 | 0.6 |
| Textile yarn and fabrics etc. | 65 | 81.0 | 65.4 |
| Iron and steel | 67 | 0.7 | 4.6 |
| Non-ferrous metals | 68 | 0.1 | 0.2 |
| Paper and paperboard | 641 | 0.2 | 0.2 |
| Cement etc., building materials | 661 | 0.2 | 0.1 |
| Metal manufactures | 698 | 0.3 | 0.3 |
| Clothing not of fur | 841 | 0.3 | 1.2 |
| Total of selected commodities | | 86.8 | 78.1 |
| *Korea, Rep. of* | | | |
| (1) Value of total manufactured exports (1,000 US$) | 5–8 | 10,567 | 153,642 |
| (2) Commodity composition (percentages) | | % | % |
| Chemicals | 5 | 9.4 | 0.5 |
| Machinery, transport equipment | 7 | 13.7 | 6.2 |
| Rubber manufactures | 62 | 0.7 | 1.0 |
| Textile yarn and fabrics etc. | 65 | 21.0 | 22.4 |
| Iron and steel | 67 | 5.5 | 25.3 |
| Clothing | 84 | 10.6 | 21.7 |
| Total of selected commodities | | 60.9 | 57.1 |
| *Malaysia, West*[d] | | | |
| (1) Value of total manufactured exports (1,000 US$) | 5–8 | 247.155 | 347.301 |
| (2) Commodity composition (percentages) | | % | % |
| Chemicals | 5 | 2.8 | 4.2 |
| Machinery, transport equipment | 7 | 6.7 | 6.2 |
| Rubber manufactures | 62 | 1.2 | 1.6 |
| Tin metal | 687 | 81.5 | 81.4 |
| Total of selected commodities | | 92.2 | 93.4 |
| *Pakistan*[e] | | | |
| (1) Value of total manufactured exports (1,000 US$) | 5–8 | 97,255 | 232,385 |
| (2) Commodity composition (percentages) | | % | % |
| Chemicals | 5 | 0.7 | 2.6 |
| Machinery, transport equipment | 7 | 3.6 | 2.6 |
| Textile yarn and fabrics etc. | 65 | 82.2 | 78.8 |
| Paper and paperboard | 641 | 1.9 | 0.4 |
| Metal manufactures | 698 | 0.1 | 0.1 |
| Clothing not of fur | 841 | 0.4 | 0.8 |
| Total of selected commodities | | 88.9 | 85.3 |

*Source:* For 1962: United Nations, *Foreign Trade Statistics of Asia and the Far East.*
For 1966, national publications.

[a] Values of total manufactured exports are converted into US dollars with the official rates published by the International Monetary Fund.

[b] Domestic exports only.

[c] 1966: April 1966 — March 1967.

[d] 1965.

[e] 1966: July 1965 — June 1966.

The only important commodity classes of Asian exports in which the developed market economies did not increase their share were primary commodities and base metals. The developing areas only increased their share in base metals and chemicals exported from the developing Asian countries. (The discrepancies are due to eastern Europe, which increased its share in all the broad classes.)

This rearrangement of trade flows seems again to point to the potential productivity of trade preferences which, in the alternative forms in which they are normally discussed, would primarily be a concession by the developed market economies. To the extent that their expansion is held back by their market prices after taxes in the importing countries, the fact that a widening range seems increasingly to establish itself in the developed markets may offer the prospect of a reasonably rapid response to a reduction in their prices.

*Factors entering the evaluation of new schemes of preferences*

The general criteria for the evaluation of new schemes of trade preferences involve judgements on the character of demand in different developed countries and the comparative productivity of different patterns of output in the developing countries. Secondly, they involve an assessment of the effect of present levels of protection in different developed markets.

Trade statistics reflect the joint operation of all these factors. Independent evidence on one or the other of them is thus necessary, if the effect of tariff and quota alterations is to be weighed up.

The list of major manufactured exports from developing ECAFE countries (table I-11) can be split into two parts according to the destination of exports. It then appears that the developed countries form the main markets for the traditional manufactured products of developing Asia. Textiles contribute one-half of these flows. The newer products, however, are mainly moving to other developing countries (table I-12). This is to some extent a matter of distance—cement and fertilizers being the likely examples. In other cases, especially chemicals and machinery, consumer preferences in developed countries are not generally favourable to the products of developing countries. In certain instances, the cost of selling and of entering a market is lower in developing than in developed markets, especially where nationals of the Asian producing countries are established in the import trade. But for many commodities, traditional and new, there is a greater similarity in demand between developing countries than between developing countries and developed markets. At a given time, production in developing countries may be most productive or profitable if it is for sale in the markets of other developing countries.

Table I-11. Developing ECAFE countries: manufactured exports to the rest of the world, 1964

| *SITC* | *Items* | *Exports to rest of world (value in 1,000 US$)* *(1)* | *Percentage share of rest of world in total exports* *(2)* |
|---|---|---|---|
| 841 | Clothes not of fur . . . . . . . | 292,364 | 92.1 |
| 653 | Woven textiles (not cotton) . . . | 277,747 | 89.8 |
| 332 | Petroleum products . . . . . . . | 251,343 | 51.2 |
| 68 | Non-ferrous metals . . . . . . . | 225,538 | 89.0 |
| 652 | Cotton fabrics (woven) . . . . . | 208,437 | 74.6 |
| 631 | Veneers, plywood etc. . . . . . . | 72,000 | 93.5 |
| 657 | Floor coverings, tapestry etc. . . . | 69,072 | 95.8 |
| 61 | Leather, dressed fur, etc. . . . . | 67,419 | 96.8 |
| 894 | Toys, sporting goods . . . . . . | 58,392 | 94.9 |
| 851 | Footwear . . . . . . . . . . | 43,000 | 85.9 |
| 651 | Textile yarn and thread . . . . . | 40,098 | 42.6 |
| 667 | Pearls, precious, semi-precious stones | 24,460 | 73.3 |
| 67 | Iron and steel . . . . . . . . . | 18,317 | 32.1 |
| 893 | Articles of plastics n.e.s. . . . . . | 11,028 | 68.6 |
| 512 | Organic chemicals . . . . . . . | 10,118 | 44.4 |
| 698 | Metal manufactures, n.e.s. . . . | 8,915 | 53.0 |
| 655 | Special textile products . . . . . | 4,805 | 34.6 |
| 62 | Rubber manufactures . . . . . . | 4,473 | 29.9 |
| 561 | Fertilizer, manufactured . . . . . | 3,039 | 24.9 |
| 732 | Road motor vehicles . . . . . . | 3,359 | 6.0 |
| 541 | Medical (etc.) products . . . . . | 3,167 | 19.2 |
| 661 | Cement etc. building materials . . | 2,514 | 10.4 |
| 711 | Power machinery (non-electric) . | 1,021 | 9.3 |
| 641 | Paper and paperboard . . . . . . | 918 | 11.7 |

*Source:* United Nations, *Foreign Trade Statistics of Asia and the Far East,* 1964.

The principal developed markets for the manufactured exports of the region are, in order of declining importance, North America, EFTA, EEC, Australia-New Zealand-South Africa and Japan (table I-13). The distribution of export markets reflects both demand and the effect of protection. North America has the largest share in all five groups of manufactures. EFTA imports are concentrated in light manufactures (including textiles), with a small share in base metals, but imports of chemicals and other light manufactures are almost negligible.

National income can serve as a crude measure of the size of markets in otherwise similar economies. However, EFTA, with a national income about four-sevenths of that of EEC, imports more manufactures than EEC from developing ECAFE countries. This reflects the fact that production in the United Kingdom has been adjusted to the imports of manufactures such as textiles from India, Hong Kong, Pakistan and other members of the British Commonwealth Preference system. Japan's imports of manufactures from the developing countries are only some four-fifths of the imports of the group Australia-New Zealand-South Africa. Japan's income, however, is about twice that of the other three countries.

Table I-12. Developing ECAFE countries: exports of major manufactured goods to the rest of the world (excluding ECAFE region), 1964

| *Extra-regional exports (value in 1,000 US$, per cent of total export of commodity)* (1) | *Principal suppliers and share in regional export* (2) | *Principal importers and share in extra-regional market* (3) | *Import duty (%) July 1966: modal rate or range* (4) | *Non-tariff barriers, May 1966 SITC/country/barrier* (5) |
|---|---|---|---|---|
| *Clothes, not of fur (SITC 841)* | | | | |
| 222364 (92.1%) | Hong Kong (92.2) | EFTA (33.2) | U.K. MFN 20, 25 | |
| | | U.K. (25.8) | BPT F | 841.41 France R |
| | Korea, Rep. of (2.2) | U.S.A. (26.3) | | |
| | India (2.1) | EEC (16.3) | U.S.A. (10-42.5) | 841.43 France R |
| | Singapore (1.5) | Africa (4.4) | EEC (18;21) | 841.44 France R |
| | China (Taiwan) (0.9) | Other Asia (7.8) | Japan (20;30) | 841.11 Fed. Rep. of Germany |
| | Pakistan (0.8) | Canada (2.5) | | France R |
| | | Australia (0.7) | | 841.12 Fed. Rep. of Germany |
| | | | | France r |
| | | | | 841.13 France R |
| | | | | Italy r |
| | | | | 841.14 France R |
| | | | | Italy r |
| | | | | 841.21 France R |
| | | | | Italy r |
| | | | | 841.22 France R |
| | | | | Italy r |
| *Woven textiles (SITC 653)* | | | | |
| 277747 (89.8%) | India (87.8) | U.S.A. (48.1) | U.S.A. (17-40) | 653.4 Fed. Rep. of Germany |
| | Pakistan (9.2) | Canada (6.5) | U.K. MFN 17.5;20 | Belgium L |
| | Hong Kong (1.2) | EFTA (U.K.) (5.7) | BPT F;5/6 | Luxemburg |
| | Korea, Rep. of (0.8) | Africa (5.6) | of full rate | France R |
| | Singapore (0.03) | East Europe (4.9) | EEC 14-17 | U.K. at gq |
| | | Australia (3.3) | Japan (20;25) | |
| *Petroleum products (SITC 332)* | | | | |
| 251343 (51.2%) | Iran (63.4) | EFTA (U.K.) 12.5 (9.6) | | 332.62 France r |
| | Singapore (28.4) | Africa (12.2) | | |
| | Sarawak (3.1) | Japan (6.7) | | |
| | India (1.7) | Australia (4.7) | | |
| | | Other Asia (3.8) | | |
| | | EEC (3.2) | | |
| *Non-ferrous metals (SITC 68)* | | | | |
| 225538 (89.0%) | Malaysia, W. (96.4) | U.S.A. (33.5) | U.S.A. (6-19) | |
| | Singapore (1.0) | Japan (20.0) | Japan (20;25) | |
| | Korea, Rep. of (0.8) | EEC (12.4) | EEC (6-10) | |
| | China (Taiwan) (0.7) | EFTA (U.K.) 4.7 (4.4) | U.K. MFN (10-20) | |
| | India (0.7) | East Europe (4.2) | BPT F | |
| *Cotton fabrics, woven (SITC 652)* | | | | |
| 208437 (74.6%) | India (44.7) | EFTA (U.K.) 28.1 (27.1) | U.K. MFN (17.5) | |
| | Hong Kong (33.3) | U.S.A. (14.1) | BPT F | |
| | Pakistan (9.8) | Africa (9.5) | U.S.A. (7.75-33) | |
| | China (Taiwan) (5.2) | Australia (5.9) | EEC (14-19) | |
| | Korea, Rep. of (4.8) | Other Asia (4.2) | Japan (10-25) | |
| | Singapore (1.5) | EEC (3.8) | | |
| *Veneers, plywood etc. (SITC 631)* | | | | |
| 72000 (93.5%) | Philippines (47.6) | U.S.A. (85.7) | U.S.A. (8-20) | |
| | China (Taiwan) (31.8) | Canada (4.1) | U.K. MFN (10-20) | |
| | Korea, Rep. of (15.6) | EFTA (U.K.) 1.2 (1.2) | BPT F | |
| | Sarawak (2.1) | | EEC (8-15) | |
| | Singapore (0.9) | | Japan (15;20) | |
| *Floor coverings, tapestry etc. (SITC 657)* | | | | |
| 69072 (95.8%) | Iran (46.3) | EFTA (U.K.) 31.9 (20.5) | U.K. MFN (20) | 657.6 Fed. Rep. of Germany |
| | India (31.0) | EEC (F.R.G.) 29.6 (23.7) | BPT F | France R |
| | Pakistan (6.3) | U.S.A. (14.0) | EEC (23;24) | |
| | Singapore (0.2) | | U.S.A. (7-48.1) | |
| | Hong Kong (2.0) | | Japan (30) | |
| | China (Taiwan) (0.8) | | | |
| *Leather, dressed fur etc. (SITC 61)* | | | | |
| 67419 (99.7%) | India (85.1) | EFTA (U.K.) 43.8 (42.2) | U.K. MFN (10;15) | 611.3 Japan GQ |
| | Pakistan (13.6) | EEC (27.3) | BPT F | 612.3 Japan gq |
| | Ceylon (5.6) | U.S.A. (8.7) | EEC (6-9) | |
| | Hong Kong (3.0) | Japan (7.5) | U.S.A. (10;12.5) | |
| | China (Taiwan) (1.6) | | Japan (15;20) | |
| | Singapore (1.6) | | | |
| *Toys, sports goods (SITC 894)* | | | | |
| 58392 (94.9%) | Hong Kong (89.0) | U.S.A. (42.1) | U.S.A. (16-44) | 894.23 France R |
| | Pakistan (6.6) | EFTA (U.K.) 26.7 (23.7) | U.K. MFN (25) | |
| | India (5.3) | EEC (8.2) | BPT F; 20 | |
| | Korea, Rep. of (3.6) | Canada (5.3) | EEC (17-24) | |
| | China (Taiwan) (3.4) | Australia (3.7) | Japan (20) | |

Table I-12 *(cont'd)*

| *Extra-regional exports (value in 1,000 US$, per cent of total export of commodity)* (1) | *Principal suppliers and share in regional export* (2) | *Principal importers and share in extra-regional market* (3) | *Import duty (%) July 1966: modal rate or range* (4) | *Non-tariff barriers, May 1966 SITC/country/barrier* (5) |
|---|---|---|---|---|
| | | *Footwear (SITC 851)* | | |
| 48000 (85.9%) | Hong Kong (59.7)<br>India (17.2)<br>Pakistan (3.9)<br>China (Taiwan) (2.9)<br>Singapore (2.0)<br>Malaya (1.8) | EFTA (U.K.) 36.2 (32.8)<br>Africa (9.8)<br>EEC (8.8)<br>U.S.A. (8.2)<br>Other Asia (7.4) | U.K. MFN (15-30)<br>BPT F; 20<br>EEC (16-20)<br>U.S.A. (12.5;25)<br>Japan (20-30) | 851.02 France r<br>Japan gq |
| | | *Textile yarn and thread (SITC 651)* | | |
| 40098 (42.6%) | India (67.6)<br>Hong Kong (22.3)<br>Pakistan (6.8)<br>China (Taiwan) (1.3)<br>Singapore (0.7)<br>Korea, Rep. of (0.5) | EFTA (U.K.) 12.9 (11.8)<br>Africa (8.7)<br>EEC (8.5)<br>East Europe (4.0)<br>New Zealand (2.1)<br>Other Asia (1.5)<br>U.S.A. (1.4) | U.K. MFN (5;10)<br>BPT F<br>EEC (5;10)<br>U.S.A. (2.5-42)<br>Japan (0;20) | 651.71 France R<br>651.22 Fed. Rep. of Germany<br>France R<br>651.25 Fed. Rep. of Germany<br>651.92 U.K. ST<br>Belgium L<br>Luxemburg<br>651.51 Norway m<br>651.53 Norway M |
| | | *Iron and steel (SITC 67)* | | |
| 18317 (32.1%) | India (95.6) | U.S.A. (23.7)<br>Other Asia (3.0)<br>EFTA (U.K.) 1.3 (1.3)<br>Africa (1.3)<br>EEC (1.3) | U.S.A. (3.2-11)<br>U.K. MFN (F;10)<br>BPT F<br>EEC (3-7)<br>Japan (10;12.5) | 671.2 France R<br>671.4 France r |
| | | *Articles of plastics n.e.s. (SITC 893)* | | |
| 11028 (69.6%) | Hong Kong (57.1)<br>China (Taiwan) (37.5)<br>India (3.7)<br>Singapore (0.2) | U.S.A. (26.8)<br>EFTA (U.K.) 15.3 (13.4)<br>Africa (6.9)<br>EEC (4.6)<br>Australia (4.2)<br>Other Asia (3.6) | U.S.A. (17-42)<br>U.K. MFN (20)<br>BPT F<br>EEC (22)<br>Japan (30) | |
| | | *Organic chemicals (SITC 512)* | | |
| 10118 (44.4%) | China (Taiwan) (30.8)<br>Iran (24.0)<br>Philippines (15.7)<br>India (12.9)<br>Singapore (0.8) | Africa (9.5)<br>U.S.A. (8.2)<br>EEC (7.6)<br>EFTA 5.6 (5.2) | U.S.A. (F-50)<br>EEC (8;10)<br>U.K. MFN (10)<br>BPT F<br>Japan (5-25) | 512.23 Japan gq |
| | | *Special textile etc. (SITC 655)* | | |
| 7805 (34.6%) | Philippine (22.9)<br>India (18.4)<br>Hong Kong (5.8)<br>China (Taiwan) (3.2)<br>Singapore (0.2) | U.S.A. (10.0)<br>Africa (8.3)<br>Other Asia (4.7)<br>EEC (3.4)<br>EFTA (U.K.) 2.4 (2.0) | U.S.A. (13.5-22.5)<br>EEC (14;18)<br>U.K. MFN (20)<br>BPT F<br>Japan (10) | 655.92 U.K. ST/gq |
| | | *Rubber manufactures (SITC 62)* | | |
| 4473 (29.9%) | India (39.6)<br>Malaysia, W. (32.0)<br>China (Taiwan) (5.8)<br>Singapore (4.4)<br>Korea, Rep. of (2.1) | Africa (5.5)<br>EFTA (U.K.) 4.4 (4.3)<br>EEC (1.8)<br>Australia (1.7)<br>U.S.A. (1.6)<br>Canada (1.5) | U.K. MFN (10-20)<br>BPT F<br>EEC (12-18)<br>U.S.A. (8.5;12.5)<br>Japan (15) | |
| | | *Fertilizer, manufactured (SITC 561)* | | |
| 4039 (24.9%) | Pakistan (57.0)<br>Iran (18.2) | Africa (14.5)<br>North America (8.1)<br>U.K. (2.4) | U.S.A. F<br>U.K. MFN F; 14<br>BPT F | 561.1 Belgium-Luxemburg r<br>Netherlands r |
| | | *Medical etc. products (SITC 541)* | | |
| 3167 (19.2%) | India (55.2)<br>Hong Kong (15.4)<br>Pakistan (7.4)<br>Singapore (4.6)<br>Malaysia, W. (0.3) | EEC (6.5)<br>Other Asia (2.9)<br>EFTA (U.K.) 1.6 (1.2)<br>Africa (1.5)<br>U.S.A. (1.4) | EEC (12-21)<br>U.K. MFN (10)<br>BPT F<br>U.S.A. F; 10.5<br>Japan (15-20) | 541.3 Belgium-Luxemburg gq<br>France r<br>Japan gq<br>Netherlands r |

*Sources:* 1. United Nations, *Foreign Trade Statistics of Asia and the Far East*, 1964; 2. Tariff rates are based on GATT documents; and 3. Non-tariff barriers are based on UNCTAD document TD/B/U.2/26.

*Notes:* MFN = Most Favoured Nation; BPT = British Preferential Tariff; F = Free; R = unspecified import restriction; GQ = import restrictions under global quota; ST = state trading or special trading regulations; and L = Licensing is required but it implies that imports are generally liberally licensed. Small letters denote that the restrictions apply to only some of the products within the SITC items shown.

Table I-13. Manufactured exports from developing ECAFE countries: principal markets in the developed areas, 1964-1965[a]

| *Commodity class* | *Markets* | *Share of total market, 1964-1965[a] (percentages)* | *Annual rate of increase 1955-1956[a] 1964-1965[a]* |
|---|---|---|---|
| All manufactures (SITC 5, 6, 7, 8) | North America | 28.8 | 15.5 |
| | EFTA | 12.8 | 10.0 |
| | EEC | 7.5 | 15.1 |
| | South Africa, Australia and New Zealand | 4.3 | 6.1 |
| | Japan | 3.5 | 16.9 |
| | Total | 57.7 | 13.1 |
| Chemicals (SITC 5) | North America | 8.6 | 5.5 |
| | Japan | 7.6 | 12.9 |
| | EEC | 5.7 | 4.6 |
| | EFTA | 3.5 | −2.7 |
| | South Africa, Australia and New Zealand | 3.2 | 19.5 |
| | Total | 28.6 | 5.8 |
| Light manufactures[b] (SITC 6, 8 less base metals) | North America | 30.3 | 19.6 |
| | EFTA | 15.9 | 10.2 |
| | EEC | 7.7 | 19.7 |
| | South Africa, Australia and New Zealand | 5.1 | 5.7 |
| | Japan | 1.7 | 20.5 |
| | Total | 61.5 | 14.6 |
| Textiles (SITC 65) | North America | 25.9 | 12.5 |
| | EFTA | 13.1 | 7.6 |
| | South Africa, Australia and New Zealand | 8.3 | 5.1 |
| | EEC | 4.0 | 13.6 |
| | Japan | 0.4 | 26.0 |
| | Total | 52.9 | 9.8 |
| Base metals (SITC 67, 68 less 681) | North America | 36.9 | 4.6 |
| | Japan | 14.0 | 15.9 |
| | EEC | 9.8 | 5.9 |
| | EFTA | 3.4 | 8.5 |
| | South Africa, Australia and New Zealand | 1.9 | 6.4 |
| | Total | 68.4 | 7.1 |
| Machinery and transport equipment | North America | 14.9 | 48.0 |
| | EFTA | 4.8 | 30.9 |
| | EEC | 2.4 | 30.4 |
| | South Africa, Australia and New Zealand | 0.9 | 8.0 |
| | Japan | 0.9 | ∞ |
| | Total | 24.4 | 38.3 |

*Source:* United Nations, *Monthly Bulletin of Statistics.*

*Note:* [a] Average of two years.

[b] Including textiles (SITC 65).

Although Japan's industrial structure has lately shown a marked change from heavy dependence on light manufactures to the heavy and chemical industries, its light manufactures (including textiles)[7] continue to be important export industries. On the other hand, the competition of domestic producers in Australia, New Zealand and South Africa with the industries of the developing ECAFE countries is much less pronounced.

While the share of EEC and Japan in the manufactured exports of developing ECAFE countries was relatively low, the rate of growth of their purchases was far above the average of manufactured exports, well in line with their rate of economic growth during the first half of this decade. A recent dampening of the high growth rates in some of the EEC countries heightens the desirability for tariff changes to improve the access of regional manufactured exports to those markets; but a setting of relatively weaker growth is not the most favourable for such decisions.

## *Tariff and non-tariff barriers in developed countries*

### *The current tariff levels and their characteristics*

Tariff levels in developed countries are generally high on the labour-intensive manufactures in which developing countries have a comparative advantage, and tariff levels tend to rise as the degree of processing increases. In addition, while nominal tariffs are not conspicuously high, effective tariffs which are levied on the value added for manufactures become very high. According to a recent computation,[8] effective tariff levels rise to more than twice the level of tariffs.

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[7] The share of light manufactures in Japan's total exports was 29.3 per cent and that of textiles was 16.5 per cent in the first half of 1967. (Japan Tariff Association, The Summary Report, *Trade of Japan*, 1967)

[8] Bela Balassa, "Tariff Protection in Industrial Countries: An Evaluation", *Journal of Political Economy*, December 1965.

The highest tariffs are levied on light manufactures, and in particular on textiles and clothing, and in accordance with the principle of higher protection for higher stages of production, tariffs on clothing are higher than on textiles. The recent Kennedy Round negotiations provide for the tariffs of the developed countries to be reduced progressively over five years, and by amounts which vary among commodities. UNCTAD recently computed the average reduction at 38 per cent *ad valorem*,[9] but the manufactured exports of developing countries will derive a substantially smaller relief, largely because the cuts on textiles and clothing are modest. Such cuts as there have been reduce the margin of preference that could be offered to developing countries. This matters least in the case of well-established exports from the developing countries since they have already made headway in the various markets, at the expense of competing products from developed countries. The main gains that remain to be made are often at the expense of the protected domestic producers. In the case of new products, however, the lower post-Kennedy Round rates of duty may substantially limit the value of new preferential arrangements.

The United States levied the highest tariff on *textiles* (26.6 per cent *ad valorem*)[10] followed by Japan (20.6 per cent), the United Kingdom (20.1 per cent for MFN[11] and 9.7 per cent for BPT[12]) and EEC (17.4 per cent). Effective tariff rates on textiles are estimated as 2.5 times the nominal rates.[13] The nominal tariff rates on *clothing* in developed countries are 20.8 per cent in EEC, 34.2 per cent in the United States, 29.7 per cent (MFN) and 12.6 per cent (BPT) in the United Kingdom, and 25.6 per cent in Japan. The effective rates are estimated to be about 1.5 times higher than the nominal rates.[13] The United States being the major market for textiles from the developing ECAFE countries, preferential rates on textiles and clothing from developing countries to this market in which the products are well established, may lead to considerable further gains. The effect of tariff reduction will, however, be deferred till the Long Term Cotton Agreement has either ceased to limit imports or quotas have been so much expanded as to become ineffective at present post-tariff prices.

The Kennedy Round cuts should be most effective in easing access of textiles to the Japanese market: the rate on textiles will come down from 20.6 to 12.4 per cent. The cuts in the remaining countries are much less, and will be even smaller if the Long Term Cotton Agreement is not extended—a contingency of yet unknown consequence for developing countries.

Both nominal[14] and effective tariff rates on the rest of light manufactures are high. Nominal tariff rates for *rubber manufactures*[15] in developed countries are 12—18 per cent (range rates[16]) in EEC, 10, 20 per cent (MFN, modal rates[17]) and nothing (BPT) in the United Kingdom, 8.5, 12.5 per cent in the United States and 15 per cent in Japan, but effective tariff rates may be twice as high. At present, the regional countries are marginal suppliers of rubber manufactures to developed markets, and most of the trade is done intra-regionally or with Africa.

*On leather goods*, nominal tariff rates are 6—9 per cent in EEC, 10, 15 per cent (MFN) and nothing (BPT) in the United Kingdom, 10, 12.5 per cent in the United States and 15, 20 per cent in Japan. Effective tariff rates are estimated to be about 2.5 times higher than the nominal rates, and it is therefore not surprising that about half of the exports from the developing ECAFE countries are concentrated on the United Kingdom, taking full advantage of the British Commonwealth Preference. Developed countries also give high protection to *veneers and plywoods*. Nominal tariff rates are 8—15 per cent in EEC, 10, 20 per cent (MFN) and nothing (BPT) in the United Kingdom, 8—20 per cent in the United States and 15, 20 per cent in Japan; with the effective rates about twice the nominal rates. Approximately half of the exports of veneers and plywood from the developing ECAFE countries are exported by the Philippines to the United States, under the protection of preference provided by the United States. In the Kennedy Round negotiations, leather and wool manufactures were relieved of a significant part of their customs burden.

As for *chemicals, machinery and transport equipment*, tariffs are not very high, but the tariff is not a crucial factor in determining the export possibility. In addition, a certain proportion of these exports from the developing Asian countries is really in the nature of re-exports, so that benefits from preferential tariffs will be less than expected. The Kennedy Round negotiations provided substantial cuts in the rates on chemicals and machinery. Since these are strictly new exports from developing to developed countries, the fact that the available margin of preference has shrunk a good deal may weigh more heavily than the actual cuts. In the case of Japan, however, where the rate on electric machinery will be almost halved to about 10 per cent, new Asian producers may usefully explore the market.

Tariffs on *non-ferrous metals* are low except in Japan. Developed countries do not apply import quotas. Preferential tariffs may not, therefore, bring about substantial benefits to the major exporting countries from the developing ECAFE region such as Malaysia. Besides, most of the non-ferrous metals exports are still in the hands of international enterprises, so that benefits from preferential tariffs would have to be appropriated by company taxation or by exchange control if they are not to flow back to the developed economies, except where production and investment are held back by high costs and would be expanded as producer prices improve.

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[9] UNCTAD, *Illustrative Tariff Profiles of Selected Developed Countries — Kennedy Round*, Geneva, 1967.

[10] In this section, all tariff rates are *ad valorem*.

[11] Most Favoured Nation.

[12] British Preferential Tariff.

[13] Bela Balassa, *op. cit.*

[14] For nominal tariff rates, see table I-12, column (4).

[15] Materials of rubber (SITC 621), rubber tyres, tubes (SITC 629.1), rubber belting (SITC 629.4), other rubber articles n.e.s. (SITC 629.9), etc.

[16] Tariff rates connected with a dash indicate a range.

[17] Tariff rates with a comma between them indicate modal rates.

While nominal tariff levels on *iron and steel* are low the effective rates on ingots and other primary forms of iron and steel manufactures are extremely high. According to a recent computation,[18] the effective tariffs for these manufactures are as high as 107 per cent in the United States, 99 per cent in the United Kingdom, 29 per cent in EEC, 40 per cent in Sweden and 59 per cent in Japan. India was the only country from the developing ECAFE countries which could export in 1964 to outside the developing ECAFE countries. In this range of products, it is again the Japanese tariff which will be cut most as a result of the Kennedy Round negotiations.

### *Non-tariff barriers*

Most developed countries use non-tariff measures[19] to restrict the imports of some of the major manufactured exports of the developing ECAFE countries, in addition to custom tariffs; where two restraints operate together, it is likely that only one of them is effective. If preferences were limited to tariffs, and nothing else was changed, the non-tariff restrictions would increasingly become the effective barriers. Whenever these non-tariff restrictions set the limits to the quantity or value of imports from developing countries, the latter can only realize a gain from tariff reductions by adjusting export prices so as to appropriate the additional quota profit. Export taxes or other forms of control over export pricing would have to be brought into play, but the use of these instruments is more complicated when applied to manufactures than to homogeneous primary products. In these cases, as in those of a completely inelastic demand for the manufactures from developing countries, the best that can be expected from tariff preferences is a simple transfer of resources to augment the foreign exchange resources of developing countries. The effect, if any, on industrial development, will similarly be a purely financial one.

### *Australian tariff preferences*

In April 1966, Australia granted unilateral tariff preferences to manufactured exports of developing countries. The measure is of great interest, not merely because it is the first of its kind but also because of its detail, which offers examples of what other countries may provide.

Preferences are given in two forms. Firstly, 158 items which are of export interest to developing countries are given tariff preference quotas under which they may enter at reduced rates of duty. Secondly, duty-free entry is allowed to certain handicraft products from eligible developing countries. Major items under the tariff preference quotas are carpets, soaps, leather goods, textiles, musical instruments, chairs, furniture and glass. The handicraft products include basketware, worked monumental or building stone, ceramic products, articles of copper, silk textiles and works of art. The first notable feature of the Australian scheme is the institution of preference quotas. Imports in excess of these will have to pay the rate that would apply in the absence of preferences. The quotas fixed for leather manufactures, household utensils of wood, cotton and linen fabrics, mats, woven fabrics of jute and carpets (hand-made) were already nearly filled or actually exceeded by the exports from the developing ECAFE countries in 1963/1964.

Where developing countries have already succeeded in establishing themselves as leading suppliers of some commodities, these commodities are not given preferences. This means, for instance, that India may gain from the denial of preferences to those exports from Hong Kong which India is also producing. Only some 15 per cent of imports from Hong Kong during the first nine months of 1966/1967 entered at the less developed countries preferential rate.

Several of the scheduled less developed countries[20] also benefit from other preferential treatment (e.g. Ceylon, Brunei, Malaysia and Hong Kong as Declared Preference Countries) and the preferences obtained by them as less developed countries normally equal and occasionally exceed those which they have under their alternative status.

It is too soon to evaluate the effects of the Australian preferences, since exports benefiting from them started to enter Australia only at the end of 1966. Australia's imports of manufactures from developing countries in the first nine months of 1966/1967 already increased by 4.7 per cent over 1965/1966 (12 months), whereas its imports from developed countries in the first nine months of 1966/1967 were lower by 38.6 per cent than in the whole of 1965/1966.

It seems that the developing ECAFE countries are to receive the biggest benefits from the Australian preferential system. The major exporting countries of the developing ECAFE region supplied in the first nine months of 1966/1967 (July-March) about 80 per cent of Australia's total imports of items under the preferential tariff (81 per cent of quota item imports and 80 per cent of handicraft imports). Fifty-four per cent of Australia's total imports of quota items and 16.6 per cent of the total handicraft imports were supplied by India, which was followed by Pakistan, Hong Kong, the Philippines, Thailand, etc.[21]

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[18] Bela Balassa, *op. cit.*

[19] See table I-12, column (5).

[20] Of the developing ECAFE countries, only China (Taiwan) is excluded from the list.

*Problems of the distribution of benefits: new preferences superseding old preferences*

Any new system of preferences for the manufactured exports of developing Asia is bound to raise questions of the distribution of benefits. Countries which have little manufacturing gain nothing. The average tariff reduction is going to be larger for one country than another. Uniform percentage reductions of the nominal rates may hide vastly different reductions in the effective degree of protection.[22]

In addition, the introduction of a new set of preferences in favour of the manufactured exports from developing countries would pose the problem of how to treat the beneficiaries of earlier preferential systems.[23]

To the extent that the existing preferential arrangements are reciprocal—and all of them are so to some extent—a possible loss from trade diversion[24] must be set against the gains which the Asian beneficiaries derive under them. Trade diversion seems now to be the only cost of these preferential arrangements to the Asian members: they are in practice free to protect their own industries.

If the existing preferential systems are to be maintained together with a new one, preferential margins will presumably not be maintained. Under Commonwealth Preference, for instance, this would not be possible because goods from the preferred countries normally enter the United Kingdom free of duty. A wider grant of preferences by the United Kingdom would almost certainly worsen the position in the British market of several Asian Commonwealth countries. (The United States-Philippines trade preferences under the agreement of 1946 is scheduled to expire in 1974, and there is little export of manufactures from Cambodia and the Democratic Republic of Viet-Nam. The problem of compensation therefore mainly concerns the Commonwealth Preference countries.) Quotas may be used in order to limit losses in the British market, but it seems that compensation would need the co-operation of other developed countries. The reciprocal preference margins in Asian tariffs could reasonably be reduced, and trade diversion limited, in step with the reduced preference margin under the earlier system that would survive a new scheme of more general preferences.

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[21] Hong Kong's share was rather small and the Philippines and Thailand showed high shares in handicraft imports.

[22] If values added in domestic and foreign production are always positive, the percentage reduction in the degree of effective protection exceeds the given percentage reduction of the nominal rate whenever the tariff on the material inputs differs from zero.

[23] Strictly speaking, this is the only problem of compensation that may arise from the introduction of a new preferential system because it is only the creation of a new system that can either worsen the position of the beneficiaries of the older systems or introduce an unequal distribution of benefits to equal-cost producers of identical commodities.

[24] Trade diversion losses occur when discriminatory tariffs channel purchases away from the lowest-cost supplier. The economy must then give more of its exports per unit of imports.

## Intra-regional trade preferences

Preferences from developed to developing countries may, in the case of the developing ECAFE region, raise problems of compensation which were touched upon in the preceding sections. The purpose of such schemes is to improve the position of exporters in developing countries at the expense of their competitors in developed countries; or, where the developing countries supply the entire market, to allow straight transfers of resources from the developed to the developing countries. The developing countries' problems of welfare or of distribution of the benefits of preferential access to developed markets arise from the present operation of the three preferential trading arrangements in the developing ECAFE region. These arrangements cannot remain unaffected by a wider grant of preferences.

Intra-regional preferences, because of the unavoidable element of reciprocity, pose the problem of the distribution of benefits in a more direct though not necessarily in a quantitatively more significant way. The need to consider the distribution of benefits points to the question of compensation. Principles of compensation will be needed to ensure that no participant in the scheme loses from its operation. This minimum criterion of no-loss would be the appropriate one if the construction of a scheme of intra-regional preferences was tackled on its own, independently of such schemes of preferences as may be agreed to by the developed countries. But links between the two could in principle be established. The two systems could, for instance, be integrated by making the grant of preferences by the developed countries conditional on a measure of regional preferences to be exchanged between the preferred developing countries. In this case the minimum criterion for compensation would be that no developing country sustain a net loss, on the balance of the two schemes of preferences. An integrated system of preferences has much to recommend it. It would, for instance, ease the problems of compensation that would arise for one or the other of the developing countries as a new system of preferred access to developed markets replaces some of the existing preferences. Since the object of preferences is not merely to aid the balances of payments but also to encourage lines of relatively efficient production, the fact that the list of intra-regionally traded products differs somewhat from the list of exports to developed countries (see below) also argues for moving on from the developed-developing preferences to intra-regional preferences. It must not, however, be overlooked that while a link between the two schemes offers advantages it does not solve the basic problems of compensatory adjustments of country preferences.

It seems realistic to assume that intra-regional preferences will have to be offered through the discriminatory lowering of trade barriers, e.g. by reducing rates of duty on imports from the developing countries of the region. This seems a necessary assumption so long as there persists the hope of preferences being accorded unilaterally by the developed countries. A substantial raising of trade barriers against them may not be considered an acceptable move while unilateral concessions by the developed countries to the developing countries are under consideration.

The economic effects of intra-regional preferences and the associated need for compensation will vary according to the mixture of the two basic types within any actual arrangement. The decisive difference is between schemes that are intended to give developing countries an advantage in each other's market at the sole expense of developed countries and, on the other hand, schemes which would also (or exclusively) increase competition between Asian producers.

To construct the first type in its pure form, domestic producers must be left with the initial effective degree of protection. In principle, this could be done by confining intra-regional preferences to such commodities as the importing (preference-conferring) country does not produce itself. The commodity pattern of Asian production does not make this a promising technique. In India, for instance, it might be difficult to find a sufficient number of commodities which India imports from developed countries and (actually or potentially) from the rest of developing Asia but does not produce herself. If few such commodities can be found, India's participation in a scheme of intra-regional preferences of the first type which relied on this technique of commodity selection would have to remain marginal: it could of course be given preferences but could not return much. Hence other techniques will have to be looked for to replace the protection for domestic producers. Subsidies have at least this disadvantage that the cost of protection which tariffs place directly on the consumer has now to be routed through the public treasury, which is normally under great strain. Quotas therefore remain the most likely tool for confining the impact of intra-regional preferences. Global quotas (expressed ultimately in physical terms) can be combined with tariff preferences so as to limit the competition of other Asian producers to the trade of developed countries. Under this type of intra-regional preferences, the need for compensation arises from an unequal loss through trade diversion, that is, through a redirection of purchases to relatively high-cost regional producers.

In practice, it will be found difficult to construct a scheme that will not impinge on the markets of some domestic producers. The more a lowering of the average tariff rates is allowed to act on domestic producers, the closer will the scheme of preferences approach the second type mentioned above. Even if no trade diversion takes place at all, compensation (or balance) will now be required to protect domestic product and growth, development of domestic production being the object of development policy. But compensation can now only be measured accurately on the basis of comprehensive development programmes: imports compete not only with existing but also with future production. Unless schemes tending towards this type are preceded by a harmonization of plans or production programmes they will presumably be confined to a modest scale. The case for such harmonization, and for the consequential trade policies, has been stated repeatedly in this and other ECAFE publications. If the issue of complementary development is approached from the angle of intra-regional trade preferences-cum-liberalization, it is proper to point out that only limited results can be expected in the short run, precisely because the problem of compensation is not tackled at its root, in the production plans. Technically, again, the scheme can be based on a combination of global quotas with tariff preferences. Quotas, for instance, can be used to confine increases in imports to future increases in consumption above the present or agreed future level of domestic output of the preferred commodities.

The following section presents some of the empirical background for the assessment of schemes of intra-regional preferences, with special reference to manufactures.

### *Features of the intra-regional trade in manufactures*

The export of manufactures from the developing ECAFE region is expanding much faster than that of primary products, and this also holds for intra-regional trade (table I-14). Manufactured exports among the developing ECAFE countries grew between 1955/1956 and 1964/1965 at an annual rate of 3.9 per cent whereas intra-regional exports of primary commodities[25] decreased at an annual rate of 0.5 per

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[25] Although the intra-regional exports of primary commodities decreased, those of food, beverages and tobacco increased at the rate of 2.8 per cent in 1955/1956 — 1964/1965, as shown in table I-14.

Table I-14. Developing ECAFE countries: intra-regional exports of manufactures, 1955-1956 and 1964-1965[a]

| *Commodity group* | *SITC* | *1955-1956 (average)* | | *1964-1965 (average)* | | *Annual rate of increase 1955-1956 (average) to 1964-1965 (average)* |
|---|---|---|---|---|---|---|
| | | *Value (million US$)* | *Percentage of all manufactures* | *Value (million US$)* | *Percentage of all manufactures* | |
| All manufactures | (5–8) | 545.5 | 100.0 | 768.5 | 100.0 | 3.9 |
| Chemicals | (5) | 49.0 | 9.0 | 98.5 | 12.8 | 8.1 |
| Light manufactures[b] | (6, 8 less base metals) | 394.0 | 72.2 | 439.0 | 57.1 | 1.2 |
| (Textiles) | (65) | (201.0) | (36.8) | (212.5) | (27.7) | 0.6 |
| Base metals | (67, 68 less 681) | 30.0 | 5.5 | 81.0 | 10.5 | 11.7 |
| Machinery and transport equipment | (7) | 72.5 | 13.3 | 150.0 | 19.5 | 8.4 |
| Primary commodities | (0–4) | 1,467.0 | — | 1,397.5 | — | –0.5 |
| (Food, beverages and tobacco) | (0, 1) | 548.5 | | 700.0 | — | 2.8 |

*Source:* United Nations, *Monthly Bulletin of Statistics.*

[a] Two-year averages.

[b] Including textiles (SITC 65).

cent due to the decline in raw materials. The share of manufactured exports in total intra-regional exports thus rose from 26 per cent in 1955 to 35 per cent in 1965. Manufactured exports do, however, continue to reflect a declining dependence on regional markets:[26] the share of intra-regional trade in manufactured exports decreased from 40 per cent in 1955-1956 to 26 per cent in 1964-1965 (table I-15). The reasons for this continuing trend in the aggregates of trade must be sought in the different average rates of economic growth, which are higher outside the region; in tied aid which diverts purchases of Asian countries, and in the ubiquitous tendency towards competitive industrial development in the countries.

A closer examination of the commodity composition of the intra-regional and the extra-regional flows of manufactured exports shows that regional markets take less than their proportionate share of primary exports, and more than their proportionate share of manufactured exports (table I-16).[27] If only these broad aggregates are considered, the trend during the decade to 1965 was towards greater similarity between the composition of intra-regional exports and of total exports. But this trend did not affect all commodity classes: textiles and chemicals are notable exceptions. Compared with their share in total exports, regional markets absorb a steadily declining proportion of textile exports, and an increasing one of chemicals. Chemicals represent a new product in regional manufactures and exports, and there is much additional evidence that it is the new products and the new producers of traditional Asian manufactures which rely most heavily on developing Asian markets.[28]

The relative importance of regional markets to the new products of Asian industry is partly explained by their newness: while industrialization tends to be highly competitive, the newer the product the more likely it is to be produced by only a few countries. In addition, there is a measure of correspondence between the character of demand in developing Asian countries so that production adjusted to the producing country's domestic demand may stand a better chance of meeting the needs of further regional consumers than of extra-regional markets. Lower trade barriers would thus mitigate the tendency to duplication which has characterized Asian industrialization to so large an extent, and preferential market access should allow a fuller exploitation of similarities in demand conditions, and hence gains from economies of scale. In so far as a reduction of trade barriers would inhibit the duplication of industries in different countries and allow certain producers a fuller adaptation to the optimum scale of production it leaves open the question who is going to produce and obtain the economies of scale. Unless it is either accompanied by further measures beyond the field of trade or confined to a very few commodities or to the trade between a few countries, discriminatory tariff disarmament by countries at different stages of industrial development will be inconsistent with the equality of opportunity to industrialize.

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[26] Throughout this discussion, the term 'regional markets' refers to the developing ECAFE region.

[27] The last column of table I-16 compares the share of the intra-regional market in a specified class of exports with its share in total exports from the developing Asian countries, by forming the ratio between those shares.

[28] Indian exports of paper and paperboard, for instance, relied in 1964 nine times as much on regional markets as all Indian exports. For Indian exports of power machinery — another new product — the relative importance of regional markets was six times as great as for all Indian exports. But regional markets only took their proportionate share of Indian textile yarn and thread, though in similar exports from the Republic of Korea or Pakistan, the region's importance was three or four times as great as in the total exports of these countries.

Table I-15. Developing ECAFE countries: intra-regional exports of manufactures. Percentage shares of intra-regional exports in total exports of specified manufactures, 1955/1956 and 1964/1965

| *Commodity groups* | *SITC* | *1955-1956 (average)* | *1964-1965 (average)* |
|---|---|---|---|
| Total of primary commodities . . . . | (0–4) | 26.9 | 23.1 |
| (Food, beverages and tobacco) . . . | (0,1) | 31.5 | 27.8 |
| Total of manufactures . . . . . . . | (5–8) | 40.2 | 26.4 |
| Chemicals . . . . . . . . . . . . | (5) | 50.8 | 62.5 |
| Light manufactures[a] . . . . . . . | (6, 8 less base metals) | 39.0 | 20.4 |
| Textiles . . . . . . . . . . . . . | (65) | 34.1 | 20.6 |
| Base metals . . . . . . . . . . . | (67, 68 less 681) | 17.1 | 22.2 |
| Machinery and transport equipment . | (7) | 90.1 | 65.9 |

*Source:* United Nations, *Monthly Bulletin of Statistics.*

[a] Including textiles (SITC 65).

Table I-16. Developing ECAFE countries: composition of intra-regional and extra-regional exports, 1955 and 1965.

| *Commodity class* | *Year* | *Exports to world (million US$)* | *Intra-regional exports* | *Ratio of shares: exports to region and to world*[a] |
|---|---|---|---|---|
| Primary commodities (SITC 0–4) . . | 1955 | 5,470 | 1,424 | 0.91 |
| | 1965 | 6,080 | 1,395 | 0.96 |
| Manufactured goods (SITC 5–8) . . . | 1955 | 1,316 | 505 | 1.34 |
| | 1965 | 3,090 | 779 | 1.05 |
| Chemicals (SITC 5) . . . . . . . . | 1955 | 100 | 45 | 1.58 |
| | 1965 | 165 | 99 | 2.51 |
| Light manufactures[b] (SITC 6, 8 less base metals) . . . . . . . . . | 1955 | 986 | 373 | 1.33 |
| | 1965 | 2,260 | 431 | 0.80 |
| Textiles (SITC 65) . . . . . . . . | 1955 | 570 | 177 | 1.09 |
| | 1965 | 1,060 | 210 | 0.83 |
| Base metals (SITC 67, 68 less 681) . . | 1955 | 155 | 20 | 0.45 |
| | 1965 | 410 | 89 | 0.91 |
| Machinery and transport equipment (SITC 7) . . . . . . . . . . . | 1955 | 75 | 67 | 3.13 |
| | 1965 | 255 | 160 | 2.62 |
| All commodities (SITC 0–9) . . . . | 1955 | 6,850 | 1,955 | 1.00 |
| | 1965 | 9,310 | 2,230 | 1.00 |

*Source:* United Nations, *Monthly Bulletin of Statistics.*

[a] Ratio of the share of the specified commodity group in ECAFE intra-regional exports to its share in ECAFE exports to all destinations.

[b] Including textiles (SITC 65).

The greater diversity of intra-regional than of extra-regional trade in Asian manufactures and the longer list of commodities moving in intra-regional trade confirms the possibility of working a system of regional preferences on commodities which are already being produced and exported. The lists of exportable manufactures in different countries show a considerable overlap but this is less of an impediment than overlap between very short lists of exports. The greater the number of available products the easier it will be to reach a balanced system of preferences.

It still remains true that a few countries produce the bulk of Asian manufactured exports. If Singapore's exports are totally excluded because of their heavy re-export content, three countries supplied in 1965 almost two-thirds of intra-regional manufactured exports: India (22 per cent), China (Taiwan) (22 per cent) and Hong Kong (19 per cent, excluding re-exports). Another 35 per cent was supplied by Malaysia, Pakistan and the Republic of Korea. The six countries together accounted for practically all manufactured exports in intra-regional trade. The uneven development of industry in the ECAFE region limits the number of countries that could benefit from preferences on manufactured imports given indiscriminately to all developing Asian countries. If confined to commodities which the industrially least advanced countries produce or could soon produce, the scheme would be of negligible impact. The larger the range of commodities included the greater would be the benefit to the industrially more advanced countries, and the greater the loss through trade diversion for the remainder. If the object of liberalization is primarily to divert trade from extra-regional to regional sources while maintaining the protection of regional producers, a balance of advantages will be even more difficult to achieve since it would be necessary to find in each participating country commodities which the others do not produce but import from outside the region. Since Asian manufactures are more competitive with one another (in the sense of producing similar goods) than with the rest of the world, the scope of any regional preferential scheme will be very limited if its effect is to be confined to balanced trade diversion.

Proposals for regional preferences do therefore normally accept the objective of some trade creation, and envisage a mixture of general regional with limited sub-regional preferences. Trade creation will result if the exports of one regional country are allowed to compete in other regional countries for a share of the market which is supplied by domestic producers. Tariff preference quotas seem to be the simplest instrument for reconciling regional preferences with a measure of protection for domestic producers and with domestic control over the extent of trade diversion which the scheme might imply. The principle of sub-regional preferences, on the other hand, relaxes the constraints on the scope of preferences that would be consistent with a rough balance of advantages. Schematically, the more advanced countries, with a wider range of manufactures, can then exchange preferences on a list of commodities which, if adopted by the less industrialized economies, would lead to a net loss through trade diversion which could not be balanced by the mere means of trade agreements covering industrial products. The industrially less advanced countries will then be able to consider their own lists of products on which to exchange tariff preferences. Since they produce fewer industrial goods, their lists will presumably be shorter and will grow longer as new products develop. In either group of countries, the aim of preferences is to benefit the participating countries. It may also be accepted as desirable that the total benefit of the scheme be distributed in an egalitarian manner. But the basic test of any realistic scheme must be that participation will cause no country to be worse off than it would be if it stayed out and thus avoided altogether the risks of trade diversion and of lower rates to protect its producers.

The scope for liberalization may be widened by considering those primary products which face import barriers in the Asian countries, but there are not many of them. It is presumably in the field of processed products—rubber, metals, fibres, timber—that some obvious candidates for general regional preferences may be found. Tariff cuts on these can be expected to have a greater trade-creating effect than could cuts on more elaborate manufactures, because the value of the basic material is large relative to the value of the processed product. In addition, general (regional) preferences ought to be considered, for a limited period, to aid strictly new products. It is probable that these will appear with greater frequency in the less rather than in the more industrialized countries, and since any preferential scheme is likely to be somewhat biased in favour of the latter, a policy of infant industry preferences should help to redress the balance and attract the doubtful.

The criterion for forming preference sub-regions depends on the objective. In practice, certain trade groupings can be seen in developing Asia. By way of illustration, table I-17 defines four of these, the countries being grouped by the intensity of their intra-trade in manufactures in 1965. The grouping is somewhat distorted by the inclusion of re-export flows, mainly from Singapore and Hong Kong, but it suffices to block out the familiar Asian trade areas in manufactured products and thus allows a discussion of the suitability of this principle of grouping. The result invariably reflects trade ties which are due to proximity (e.g. Thailand and Laos), to bilateral agreements (e.g. Burma and Ceylon, India and Nepal) and to existing preferential systems (e.g. Commonwealth Preference). In addition, the groups contain members at markedly different stages of industrial development. Again, the very fact that relatively intense trade relations exist points to a measure of integration between the economies in each group, which may make preferential arrangements less productive than if constructed for economies which are more isolated from each other.

In fact, however, the productiveness of preferential arrangements will depend on the barriers to trade, and the areas of prevented exports do not show up in the trade statistics on which the illustrative grouping is based. Where intensive intra-regional trade has already sprung up, it also offers the advantage of an existing institutional basis for trade (the existence of experience, transport facilities, trading firms and consumer or purchaser awareness). In developing Asia, the existence of these institutional conditions for trade are of the greatest importance: exporting skills are scarce.

## Table I-17. Trading areas in the developing ECAFE region, defined by intensity of intra-trade in manufactures, 1965

| *Groups and exporting countries* | *Direction of exports and shares in total intra-regional exports of specific markets in exporter's regional trade* | | | | | |
|---|---|---|---|---|---|---|
| *Group (1)* | | | | | | |
| Singapore | West Malaysia (68.1) | Sabah (9.9) | Sarawak (8.9) | Hong Kong (4.7) | Brunei (3.2) | Thailand (1.8) |
| | Rep. of Viet-Nam (1.4) | Cambodia (0.6) | Burma (0.3) | India (0.2) | Philippines (0.2) | |
| Malaysia, West | Singapore (54.4) | India (17.5) | Thailand (8.8) | Hong Kong (4.1) | Sabah (4.1) | Sarawak (3.3) |
| | Pakistan (1.0) | Brunei (0.8) | Indonesia (0.04) | | | |
| Sabah | Singapore (29.4) | Philippines (23.5) | Sarawak (22.1) | Brunei (14.3) | West Malaysia (5.5) | |
| Sarawak | Brunei (72.5) | Sabah (21.9) | Singapore (3.8) | West Malaysia (1.2) | | |
| Brunei | Sarawak (80.0) | Sabah (20.0) | | | | |
| Philippines | Hong Kong (36.2) | Singapore (27.2) | Thailand (18.4) | Indonesia (5.7) | West Malaysia (4.0) | Rep. of Viet-Nam (2.0) |
| Indonesia | n.a. | | | | | |
| *Group (2)* | | | | | | |
| India | Nepal (18.1) | West Malaysia (12.3) | Ceylon (12.3) | Burma (11.1) | Hong Kong (8.0) | Pakistan (7.1) |
| | Iran (6.7) | Afghanistan (6.5) | Rep. of Viet-Nam (5.4) | Thailand (3.7) | Cambodia (3.2) | Singapore (1.2) |
| Ceylon | India (74.2) | West Malaysia (9.7) | Burma (7.7) | Hong Kong (6.4) | | |
| Nepal | n.a. | | | | | |
| Burma | n.a. | | | | | |
| *Group (3)* | | | | | | |
| Pakistan | Indonesia (25.6) | Burma (15.5) | Hong Kong (14.9) | Afghanistan (11.9) | Ceylon (7.1) | West Malaysia (7.1) |
| | Iran (4.5) | | | | | |
| Afghanistan | China (mainland) (90.7) | Pakistan (7.4) | | | | |
| Iran | n.a. | | | | | |
| *Group (4)* | | | | | | |
| Thailand | Laos (34.2) | Rep. of Viet-Nam (19.0) | Hong Kong (18.9) | Singapore (14.0) | West Malaysia (10.1) | |
| Laos | Hong Kong (64.9) | Thailand (35.1) | | | | |
| Cambodia | China (mainland) (29.1) | Thailand (26.6) | Laos (18.6) | Singapore (17.1) | Rep. of Viet-Nam (4.7) | Philippines (2.1) |
| | Hong Kong (1.6) | | | | | |
| Viet-Nam, Rep. of | Singapore (40.7) | Hong Kong (39.0) | Thailand (8.7) | Laos (7.6) | China (Taiwan) (2.9) | |
| China (Taiwan) | Rep. of Viet-Nam (41.9) | Hong Kong (22.6) | Thailand (15.6) | Singapore (4.8) | Philippines (4.1) | Rep. of Korea (2.5) |
| | West Malaysia (2.0) | | | | | |
| Hong Kong[a] | Singapore (28.0) | Thailand (20.8) | West Malaysia (15.5) | Indonesia (8.5) | Philippines (4.7) | Rep. of Viet-Nam (3.8) |
| | China (mainland) (3.5) | Iran (2.5) | Pakistan (2.4) | | | |
| Korea, Rep. of | Rep. of Viet-Nam (47.3) | Hong Kong (21.8) | Thailand (12.7) | Singapore (4.0) | Philippines (3.2) | Iran (2.8) |

*Source:* United Nations, *Foreign Trade Statistics of Asia and the Far East*, 1965.

[a] Domestic exports only.

In the context of a scheme of discriminatory trade liberalization which is to work wholly through the selective and balanced reduction of import barriers, grouping has the purpose of allowing the more advanced countries to move ahead faster than the less industrialized countries and on a broader front. Within groups formed on the criterion of similar stage of industrial development, triangularity of preferred trade would be easier to accept. The administration of the system would thus be easier, and its scope wider. This argues for the state of industrial production as the leading criterion for grouping, and the existing trading areas are not entirely appropriate in this sense. Since the existence of trade flows within these areas is, however, a promising base for trade expansion, it seems useful to consider an adjustment of the two criteria of similar stage of development and observed intensity of trade. This means no more than keeping together within the trade areas those countries which do not display very great disparities of industrialization, and treating such areas, for the purpose of concrete analysis, as candidates for preferential schemes. The observed trade areas are thus an inviting subsidiary criterion for grouping, not least because they would allow the extension, from time to time, of preferences between groups: compensatory adjustments of preferences, with or without quotas, would be relatively easy within the more integrated trading areas.

While the technology of regional trade preferences is thus reasonably simple and feasible, their productivity will presumably be rather limited. This productivity has two aspects, firstly the balance of payments and, secondly, industrial advancement. Ultimately, these two are interdependent: a furthering of industrial growth will ease the pressure on foreign resources, and an easier balance of payments allows the creation of further industrial capacity. In the short term, however, regional preferential schemes can be expected to contribute less towards the balance of payments of countries than towards their industrial expansion. Initial losses through trade diversion fall immediately on the balance of payments and real incomes. Industrial expansion, however, is for many regional countries a matter of the implementation of projects and plans, and thus involves future production. To raise the productivity of such future developments significantly demands a deliberate adjustment of output plans as between different markets for the planned products.

## Chapter IV

# THE DEVELOPMENT AND ADAPTATION OF INSTITUTIONS

The preceding chapters have examined the economic background on which export policies have to be formulated in developing Asian countries, and various types and instruments of economic policy which aim at raising export income. The discussion has thus been largely concerned with economic choices and the conditions that constrain choice. However the choice is induced and made, it must be acted on, and this opens innumerable and technically diverse questions of efficient rules of action, from exchange control administration and production control to packaging techniques.

The present chapter touches on some of these insofar as the development and adaptation of public institutions can affect the quality of action. Even in countries where allocations and price controls are not used on the scale which deliberate and detailed planning tends to entail, foreign transactions are usually subjected to a variety of administrative controls. The simpler the procedures for processing export papers, the less costly they are from the standpoint of the exporting firm. This in effect is a reduction in the costs of the items being exported and therefore makes exports relatively more profitable. Sometimes, administrative procedures can delay shipments and when they become cumbersome, they become a disincentive to exporting. In order to provide checks, several government offices are engaged in following through export papers—the department of commerce, customs, the central bank, and other agencies having something to do with a specific export product. Frequently within one office, the procedure begins with layers of signatures. An examination of how administrative procedures concerning the processing of export papers can be simplified is one area where high marginal gains are normally obtainable by countries desiring to promote their exports. Reform in administrative procedures often requires no changes in laws. It involves internal administrative arrangements for specific offices. In cases where more than one government office is concerned, only a greater degree of inter-office communication is required.

In the Philippines, suggestions have been made for establishing an export authority, which would be charged with unifying the functions of certain offices that have to do with export processing. The proposal requires legislative sanction. A short cut can be made by inter-office agreements whereby the personnel of certain government agencies that control some aspects of exporting are housed in a single location, thus facilitating communication among different offices and cutting down export processing procedures. In the Philippines, such a measure failed to gain acceptance because the agencies concerned had different salary scales—some conforming with standard government scales while others, such as the central bank, had higher scales. The reform that is sought must therefore involve legislation, although it is quite clear that the matter is a purely administrative one.

Some administrative red tape stems from foreign exchange control procedures where control checks are rarely necessary. In countries where such controls have already been relaxed, the administrative procedures have a way of leaving their mark. In other words, while basic policies may change, certain administrative procedure based on old policies continue to exist.

Efficient and adaptable method and organization are a general requirement of good administration. Exporting, however, is a rather special business activity. It demands adjustments to the requirements of foreign markets in a variety of ways. While the importing interests have often established the main routines for the export of stable products, the producers of the newer commodities, particularly processed goods or manufactures, cannot learn much from the manner in which jute, teak or tea are exported to their traditional markets. The attention that must be given to design, standard, packaging or marketing of products is often neither necessary nor economically justified in production for home sales. But the requirements for export products are very different. The proper care for these aspects is thus a proper object of public development efforts, frequently in the form of the establishment of new institutions which individuals cannot be expected to set up for themselves.[1]

### *The production of exports*

One of the important elements in the inability of most developing countries to compete effectively with developed countries in the export of manufactured products is their failure to develop adequate designs for these products. In the absence of designing facilities in their own countries, they have been forced to depend on foreign collaboration. The results have not always been happy. The designs which have been developed in industrial countries tend to reflect large-scale production programmes and the availability of raw materials, components and spares in these countries. Lack of design facilities at home has also resulted in the acceptance of obsolete foreign designs. Since some of the foreign designs do not employ any of the existing standards available in the developing country, it becomes almost impossible to interchange the basic components and connecting parts. In all such cases, the product design fails to take account of domestic cost conditions and thus leads to relatively inefficient production. In some cases, collaboration agreements have also been signed without making provision for exporting the product that is to be manufactured under licence from the foreign collaborator.

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[1] Cf. the standard argument for subsidy where an industrial pioneer would have to train at his own expense a labour force that would ultimately be available to every one of his competitors.

In view of such inadequacies of national design facilities and of restrictive clauses in the collaboration agreements, attention should be given to the creation of national design facilities. Although there is widespread awareness of this problem, no significant steps seem to have been taken in this direction except in the restricted field of small-scale industries and handicrafts. A national programme to promote indigenous design can be launched on Japanese lines. To assist industry, the Government of Japan has adopted a programme which includes the study and development of industrial design centres in each industry, and a design information service operated through the Japan Design House. The Government of Pakistan has decided to create design centres to bring the latest models and designs within the reach of manufacturers. The methods of design improvement can vary but very normally require a measure of imitation and adaptation. To suit the interests of prospective buyers, design specialists can be sent to potential importing countries to study tastes. Modern survey methods can be applied and samples of foreign goods may be brought to analyse the main features of design. If the need to adapt design requirements to local cost or production conditions has been understood and is being worked on, the use of foreign experts becomes more fruitful. Well-designed products must be widely exhibited to domestic producers and buyers.

The imitation and adaptation that are involved in design development have numerous illustrations from developed countries—from Scandinavian-style furniture, which is being produced in most European countries, to motor cars. In many cases, production follows design. While Asian producers of a wide range of consumer goods must realize that the design frequently offends European or American taste, the design of producer goods has to meet complex technical requirements (e.g. safety, convenience, weight) as well as aesthetic ones (production managers like beautiful machines).

The optimal use of local resources to meet the requirements of foreign markets also requires the removal of the restrictions on the use of indigenous materials which figure in foreign collaboration agreements.

Quality control rules in developing Asian countries have so far normally been limited to pre-shipment inspection. Few countries attach much importance to in-plant quality control. Quality control does not mean the final testing of the manufactured product. In-process quality control begins even before the product is manufactured, starting with raw material tests, and ending with the final functional tests. In-process quality control is not only decisive in achieving standard quality of the product but it is also an effective means of reducing the cost of manufacturing since it lowers the percentage of rejects and rework losses. In developed countries, quality control is essentially a part of the manufacturer's own activity. For an effective programme of in-plant quality control, it is necessary to build up a corps of trained quality control engineers conversant with statistical techniques. The least that can be done is to prepare for local industries simple manuals of quality control with hints for the engineers or production supervisor.

Closely linked with quality control is standardization. This is a process for establishing a level of comparison with reference to which an article's quality or suitability for a given purpose may be judged. Standardization also concerns dimensional and functional interchangeability, the ultimate aim always being to ensure the largest possible over-all measure of economy and efficacy. In India and Pakistan, the national standards institutions take care to see that products conform to the standards prescribed by them. The Indian Standards Institution issues licences, under statutory provision, to manufacturers to use the ISI mark if they give satisfactory evidence of being equipped and staffed to produce on a continuous basis in compliance with the prescribed Indian Standards. The inspection staff of the Institute supervises the control and inspection operations of the licence holders and points out not only the defects of the products but also traces the causes of such defects so that the manufacturer may continue to improve the quality of his product. Since 1964, the Government has had powers to establish or recognize standards and to enforce quality control and pre-shipment inspection measures through recognized or established agencies. The Export Inspection Council, which advises the Government on measures for quality control and pre-shipment inspection, has launched a massive programme for compulsory quality control and pre-shipment inspection and nearly 80 per cent of India's export goods have been brought under the inspection scheme.

There are similar institutions or the beginnings of such bodies in other Asian countries, such as Ceylon, China (Taiwan), the Republic of Korea and the Philippines. Normally only a narrow range of controllable products is covered: pre-shipment inspection in Pakistan is limited to wool and animal hair and quality control standards in Ceylon to coconut products.

The export chances of many products depend also on the standards of packaging and the functional qualities of the package. Packaging to protect the contents against physical damage and to create a favourable impact is a technically complex operation and the developed countries of the world have achieved a high degree of efficiency in this field. Considering the existing deficiencies in the standards of packaging, the Government of India, in collaboration with industry, recently set up the Indian Institute of Packaging to strengthen this aspect of export promotion. Ceylon is now discarding plywood chests in favour of 5-ply paper bags to improve the packaging of desiccated coconuts in response to foreign buyers' preference.

### *Credit*

As the international market is a buyer's market, competition between exporters of manufactured products results in importers getting very favourable terms of payment—a concession amounting to the extension of cheap financial credit. It has often been observed that export sales contracts are signed or turned down more because of the availability or lack of attractive credit terms than because of the intrinsic quality of the product offered for sale. The ability of the exporter in a developing country to extend credit to prospective buyers depends on his own access to credit facilities. The nature of the credit facilities required by the exporters from the credit institutions of their own countries depends on the type of their goods. For the export of traditional primary commodities, semi-processed goods and consumer goods, the the exporters may require credit facilities more at the post-shipment stage than at the pre-shipment stage; at the pre-shipment stage, however, certain credit facilities (packing credit) are required by the exporters. In the case of exports of durable consumer goods and light and heavy engineering goods, the exporters require term credit both at the pre-shipment and post-shipment stages as the foreign purchaser's contribution all through the manufacturing period remains low, and as payments after delivery are also deferred. The period in which payments are completed after delivery also varies from commodity to commodity. In the case of consumer durables, the duration of the credit may extend from the time the goods are shipped to the time when the final consumer pays the money to the importer, while in the case of capital goods and equipment credit has to be extended till the capital goods are assembled for the production of the goods and services.

In providing credit to the exporter the credit institutions face two problems, one relating to the cost and availability of lendable resources and the other relating to the security of the transaction which includes not only the usual assessment of the exporter's creditworthiness but also an assessment of the risk of breach of contract by the foreign buyer. Central banking and commercial banking institutions in developing ECAFE countries should introduce flexibility in their operations and, in addition, long-term lending institutions and export risk and credit insurance corporations are needed to meet the challenge of the non-price competition from developed countries. China (Taiwan) has extended the period of collection of receipts for exports sent on a "Documents on Acceptance" basis and permitted the sale of machinery on an instalment basis. In Pakistan and India, the central banks have introduced considerable flexibility in their operations so as to make enlarged credit facilities available at cheaper cost to commercial banks in order that exporters can obtain sufficient credit to intensify their export activity. Export credit guarantee and insurance institutions have been set up in both these countries. These institutions help to maintain an easy flow of finance to exporters by giving them financial guarantees to indemnify the banks in case of default by the foreign buyer; the insurance cover affords financial protection to the exporters against commercial risks such as buyers' insolvency and political risks. A feature of Pakistan's credit insurance scheme is the availability of a pre-shipment export finance policy which enables commercial banks to advance loans more liberally to exporters for the purchase of raw materials and intermediates needed for the manufacture of goods for export. In India also, the Export Credit and Guarantee Corporation (ECGC) has introduced schemes of packing credit guarantees and post-shipment export credit guarantees.[2] China (Taiwan), which is increasingly oriented towards exports, operates an export credit insurance scheme which covers up to 90 per cent of the value of exports with flexible premiums.[3] The basic rate is 3.66 per cent per year.

Long-term export finance at the pre-shipment and post-shipment stage has not yet assumed any significant importance as very few of the developing ECAFE countries have started producing capital equipment for sale abroad. However, with the diversification of industry and development of new lines of export, the need for exporters to extend medium-term credit has arisen. In India, the Refinance Corporation for Industry (since merged with the Industrial Development Bank of India) facilitates the export of engineering goods and capital equipment by refinancing medium-term export credit for periods of six months to five years. An important condition for availability of medium-term finance facility is that the export transaction must be covered by the ECGC policy. Refinance of credit is provided at 2 per cent below the usual lending rate of the Industrial Development Bank.

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[2] The packing credit guarantee idemnifies the banks to the extent of 66⅔ per cent of their losses arising from non-payment of advances made by them for the purpose of manufacture or packing of goods destined for export. The post-shipment guarantee also seeks to protect the banks against any loss arising from the purchase, discount or negotiation of export bills. The Corporation also issues a policy called an export finance guarantee, which seeks to find for the exporter, on a selective basis, post-shipment finance in line with what he can get on the basis of the domestic value of the goods.

[3] Goods exported on a consignment basis can be insured up to 80 per cent of their value at 2 per cent.

### *Marketing*

Export marketing broadly comprises two interrelated activities. One consists of mobilizing the resources of the exporting firms to convince prospective customers of the advantages of their products; the other consists of bringing to the notice of the producing firm an intelligent appraisal of marketing possibilities. The first group of activities embraces all the functions of promotion, distribution and sale of goods through organized sales campaigns. The second group of activities consists of market research, collection and appraisal of market information and identification of markets. To carry out these functions efficiently, the exporting industries need a corps of trained marketing personnel and adequate foreign exchange resources to promote sales and conduct market research abroad. Exporting industries in most developing Asian countries lack technical know-how in marketing.

Prospective buyers of manufactured goods are not only sophisticated in their tastes and preferences but are also themselves technical experts in some cases. For example, in socialist countries under their new systems of economic planning the factory managers and directors of industries are responsible for the operation of the factories. Sales representatives from developing countries come in contact with these 'end-users' and they can conclude a sales contract only if they are in a position to furnish the technical details of the products they are offering and if they can persuade the purchasers to buy the products.

After the goods have been shipped by the exporters and used by the final purchasers, the marketing personnel have to make additional sales efforts by staying in touch with the purchasers and keeping them posted with the necessary information so as to keep alive the buyers' interest in their products.

To overcome the universal deficiency in international marketing expertise, the export industries and the Government of the developing ECAFE countries have to make joint plans. The international marketing institutes of the developed countries may be used for training executives. Developing countries may also establish marketing institutes of their own like the Government of India, which has established the Indian Institute of Foreign Trade to train marketing personnel. They may also request the United Nations Development Porgramme to provide experts in international marketing so as to improve the quality of their own marketing staff and advise them with regard to particular aspects of international marketing. With a view to assisting developing countries of the region to expand and diversify their trade a Trade Promotion Centre has been established in ECAFE, in collaboration with the GATT/UNCTAD International Trade Centre. The training of personnel for trade promotion will be the first task of the Centre.

In addition to the efforts of the export industries and firms to improve the competence of their marketing staff, they must also explore the possibility of forming export marketing groups. In developed countries, where such groups have met with great success, they are formed by a number of industries, large and small, engaged in the production of different but usually related and complementary goods. This form of collective action enables the constituent members to undertake effectively and cheaply promotional and selling activities, including the appointment of agents and sales representatives, procurement and processing of orders, procurement of finance and insurance facilities, provision of after-sales service and marketing research.

In order to streamline Pakistan's export effort, the Pakistan Export Promotion Bureau has sponsored the formation, with joint Government and private participation, of Pakistan House International. Its activities include the maintenance of warehouses abroad, the representation of Pakistan exporters and the arranging of permanent displays of Pakistani products. To help small exporters, commodity export corporations have also been formed. The Government of India encourages the formation of 'export houses' by groups of exporters. It is prepared to give recognition to export houses having a broad programme of exports including financing of production for exports, market surveys, participation in fairs and exhibitions, advertising, after-sales service, warehousing and repacking in foreign countries. Recognized export houses are, as a rule, allowed to obtain allocations of foreign exchange and assistance in establishing offices. In India, a few private consortia have been formed to promote the exports of manufactured products such as power transmission lines, steel products, railway rolling stock, bicycles, air-conditioners and cotton textiles. A few co-operative marketing societies have also been formed to promote the exports of agricultural products and handloom products.

In order to assist market research and the development of export markets, some of the developing ECAFE countries have established special market development funds. The establishment of these funds has obviated procedural delays in obtaining operational finance. In India, a marketing development fund in the Ministry of Commerce provides direct assistance to various export organizations and export houses for implementation of their programmes relating to the dispatch of trade delegations, study teams, market and area surveys, commodity surveys, export publicity, etc. Cash assistance is also provided in relation to exports of certain non-traditional export items. In Pakistan, a similar export market development fund has been established.

*Export advisory services*

Such services as are available to exporters should be continuously brought to their notice, while their experiences and complaints should be continuously collected and fed back to the authorities. A foreign trade advisory service can fulfil this function if its advisers enter into the spirit of an important development activity of great national interest. It seems essential that the advisers should not spend their days in their offices but should call on firms continuously as well-informed advisers and trouble shooters, and as an essential parallel to the agricultural extension officer.

## Part Two

# CURRENT ECONOMIC DEVELOPMENTS

## Chapter I

# ECONOMIC GROWTH AND BALANCE

The year 1967 saw a marked improvement over 1966 in the rate of growth of output in the developing ECAFE region considered as a whole. A classification of countries by their rates of economic growth (table II-1) also indicates that this average regional improvement was largely in the nature of a recovery from the setbacks, principally of agricultural origin, which affected particularly the larger regional countries in 1965 and 1966. Optimism, as distinct from caution, is required to forecast a continuation of the average regional growth rate of 1967 in the present year of 1968. The region as a whole appears to be regaining the growth rates of the years from 1960 to 1965 or 1966. A favourable international setting will be necessary if that earlier level is to be exceeded much in 1968. The earlier levels might still yield greater improvements per head of population if the widely pursued family planning policies begin to show tangible results. Population policies, and natural tendencies acting in the same direction, have already led to remarkable declines in the rates of natural increase in China (Taiwan) and in the Republic of Korea.[1]

The recovery of regional product in 1967 is mainly explained by the recovery of agriculture in certain countries, and it occurred simultaneously with a severe depression in the prices of some of Asia's main primary exports. This latter factor retarded the progress of Ceylon, Indonesia, Malaysia and Thailand in particular. As in 1966, the table of countries classified by their growth rates is led by a group which includes the southeast and east Asian economies that have been strongly drawn on for supplies needed in consequence of the war in Viet-Nam.

The effect of the growth in output in several countries on prices was to support their policies of price stabilization. Stability was also maintained by increased saving, notably in the Republic of Korea and Pakistan. The increased absorption of banking claims into the portfolio of the private sector also widens the scope for future monetary policy. This development is particularly noticeable in the Republic of China (Taiwan), Iran, the Republic of Korea, Pakistan, the Philippines and Thailand. Yet another prop of stability appeared in the form of higher imports and of greatly increased disbursements of foreign assistance.

Table II-1. Annual rates of growth of GDP or GNP at constant prices, 1960-1966, 1966 and 1967 (unadjusted for changing terms of trade)

| *Annual rate of growth of GDP (or GNP) at constant prices* | *1960-1966* | *1966* | *1967* |
|---|---|---|---|
| 1. Above 8 per cent (GDP per head rises markedly) | China (Taiwan) | Iran<br>Korea, Rep. of | China (Taiwan)<br>India<br>Iran<br>Korea, Rep. of |
| 2. 5-8 per cent (GDP per head rises markedly) | Iran<br>Korea, Rep. of<br>Malaysia<br>Pakistan<br>Philippines (1962-1966)[a]<br>Thailand | China (Taiwan)<br>Malaysia<br>Thailand | Malaysia<br>Pakistan<br>Philippines<br>Thailand |
| 3. 3-5 per cent (GDP per head rises somewhat — no more than 2.5 per cent) | Ceylon<br>India (1960-1964)[b] | India<br>Pakistan<br>Philippines | Ceylon |
| 4. 3 per cent or less (GDP per head declines or rises negligibly) | Burma<br>Indonesia | Burma<br>Ceylon<br>Indonesia | Burma<br>Indonesia |

*Source:* ECAFE and national sources.

[a] Revised national income estimates are only available for 1962-1966.

[b] Average annual rate of growth, 1960-1966: 2.8 per cent.

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[1] In China (Taiwan) for instance, population growth declined smoothly from about 3.6 per cent per annum in the first half of the 1950's to 2.7 per cent in 1966, wholly as the result of reducing the birth rate from 4.5 to 3.24 per cent between the same dates.

Among the regional countries that have in recent years received relatively strong support from external assistance (measured as a proportion of income, capital formation or per head of the population[2]), *Pakistan* received aid which, though significantly below plan expectations, recovered strongly in 1966/67 from the aid pause of the previous year. Commitments had not shrunk appreciably in 1965/66 because of non-consortium aid. Total commitments rose in 1966/67 by $44 million, and by another $23 million in 1967/68. Pledges of aid in the latter year remained at the level of the year before ($560 million). There has been a steady growth in disbursements but food aid under the United States PL 480, while it recovered in 1966/67 from the exceptionally low amount of the preceding year, still stood far below the levels of 1961-1964. Commitments of aid to the *Republic of Korea* rose in 1966 (to $321 million) and the first half of 1967 at rates well above those of earlier years. Since 1966, Japan has raised its aid so that it provided almost one-third of the commitments made in the first half of 1967. Till 1965, the United States had provided practically all the aid to the Republic of Korea. In *Thailand*, which is moving into the ranks of strongly aided Asian countries, aid receipts are increasing continuously. In 1966, aid receipts were $53 million.

Among the countries which derive aid on a modest scale by the specified criteria, *Burma* received $43 million in 1967/68 (disbursements accounted in the budget), almost twice the level of the preceding two years. *Ceylon* received commitments which moved to a higher level after the formation of the consortium in 1965 and which have tended to stay at that level (assistance from the consortium has averaged $50 million annually). Disbursement speeded up in 1967.

Commitments to *India* reached a record level of $2,081 million in 1966/67. Only a minor part of this increase above the $1,562 million of 1964/65, itself a record, can be explained by the retardation of aid in 1965/66. Much of it was due to the concentration in that one year of the commitments of the centrally planned economies for certain major projects in the five years of the fourth plan. The indications for 1967/68 are of a decline in commitments below the high level of 1966/67. Disbursements follow commitments at some distance, so that those of 1967/68 are, on present indications, likely to be very high. The aid pipeline was fuller at the beginning of 1967/68 than in any previous year. Assistance to *Indonesia* was resumed on a systematic basis after the formation of the consortium in 1966. Commitments and utilization have tended upwards ever since.

Higher growth rates in 1967 were associated with a sharp increase in imports. This combination is to be expected, the more so as the trend of economic policy in several countries has been towards import liberalization. Faster growth and higher imports went together in China (Taiwan), India, Pakistan and the Philippines. Imports also increased rapidly in the Republic of Korea and Thailand, whose high rates of economic growth fell somewhat below the level of 1966. Even at the lower levels, the growth rates of these two countries reflect high levels of economic activity; these have continued for some years and have been fed by the demands arising from the Viet-Nam war and by a rapid growth in the sale of services which are largely attributable to the same cause.

The setting of international trade was not favourable to Asian exports in 1967: world trade grew at a much slower pace than in previous years.

The developing region's exports throughout 1967 grew at a lower rate than in 1966 though the end of the year witnessed a revival of exports from several countries, notably from India. Commodity prices, however, remain depressed. The growing trade deficits of 1967 occurred together with the tendency of policy towards liberalization and a retreat from the planned strenuous use of resources for development. Even without such policy trends, the balance of payments is likely to reassert itself in 1968 as the tightest rein on growth in many Asian countries.

*Ceylon's* economic record in 1966 and in the first half of 1967 was strongly coloured by the severe deterioration in its terms of trade and by a decline in the export volumes of tea and coconut. Export prices fell about 5 per cent between 1965 and 1966. In August 1967, they stood a further 12 per cent below the level of 1966. The prices of imports, which include rice, rose at the same time, by 9 per cent in 1966 and by 11 per cent in the first eight months of 1967. The terms of trade therefore deteriorated 13 per cent in 1966 and 21 per cent in the first eight months of 1967. The volume of exports fell 9 per cent in 1966 but showed signs of recovery in 1967 (rising by 4 per cent in the full year) while imports, which had risen steeply in 1966, declined less than exports in the following year.

The economy of Ceylon has a high direct dependence on exports: the net export content of commodity production[3] in 1966 stood at 28 per cent, and at 32 per cent in the better year 1965. It is also exceptionally vulnerable to changes in a very few commodity markets and, given the oligopolistic situation in tea which accounts for 60 per cent of

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[2] See United Nations, *Economic Survey of Asia and the Far East, 1966*, pp. 54, 55.

[3] Commodity production including capital development and transport and communications.

Ceylon's exports, to the development of Indian tea output.

Gross national product in constant prices[4] thus rose a mere 2.3 per cent in 1966, and declined marginally per head of the population since this grows at about 2.4 per cent. Assistance in the form of loans and of short-term finance, the latter largely through International Monetary Fund standby accommodation, and a heavy draft on external assets allowed imports at a level 28 per cent above current external revenue. These resources permitted what appears to have been the maintenance of capital formation at constant prices (or an increase in current prices), including a resumption of new investment activity in industry by way of joint ventures, and some rise in consumption. That the product grew at all is also an important indicator of the basic progress of development: the production of goods and services for domestic use, and most notably paddy, grew in 1966 by some 4 per cent while net export production declined by a similar proportion.[5] Much of this addition to output replaces imports, and policy was adjusted to promote such growth (e.g. the ban on potato imports). The import plan for 1967 seeks to reduce the expenditure on consumer goods that can be replaced by domestic production in favour of food and development imports. Domestic outputs of staples were expected to rise, especially paddy for which a record of 53 million bushels was expected.

In the full year 1967, gross national product at constant prices rose by 4.2 per cent. Exports increased in that year by volume but fell slightly in value, to the lowest level since 1953. When the gross national product is adjusted for changes in the terms of trade, it rose by only 2.2 per cent in 1967 and by 0.4 per cent in 1966. In five of the eight years beginning in 1960 the growth rate of GNP thus adjusted fell short of the rate of population increase.

The price level in Ceylon has remained rather steady over recent years. In spite of rising import prices, the cost of living index has shown remarkable stability. The halving of the subsidized rice ration in 1966 was followed by a transfer of demand to the free market and domestic production responded well. To the extent that price increases resulted, this cannot be interpreted as inflationary but merely as an adjustment of demand and supply.

The domestic financing of development by borrowing is moving on to a sounder basis because of the growth of institutions (provident funds, insurance companies) which relieve the Government of the need to fall back on the banks.

Government current and capital expenditure has been increasing and so has ordinary revenue. The balance of the fiscal current account improved in the first half of the fiscal year 1966/67[6] but the decline in the total excess expenditure for the full year was much smaller. Fortunately, the supply of assistance is growing. The first commitments of consortium assistance were made in July 1965 and the budget for 1965/66 included the use of Rs 154 million of assistance from all sources. The pipeline of consortium assistance, moreover, grew to over Rs 400 million during 1966 and thus allowed the budget for 1966/67 to envisage the use of Rs 275 million of assistance from all sources. The third meeting of the Ceylon consortium held in the spring of 1967 pledged a further Rs 200 million (somewhat less than the commitment for 1966). With the sizable pipeline of consortium assistance in 1967 and with improved administrative procedures for aid utilization, a substantial increase in aided imports was anticipated.

A continuing development of great interest is the elaboration in Ceylon of a planning framework after initial foreign exchange and investment budgeting. A national accounting forecasting framework has been published and while the budgets have so far been put into it for testing, its employment in budget framing will presumably introduce a new stage in impressively sensible macro-planning.

The offer of assistance and its counterpart, namely the preparation of plans for the use of resources, remain the crucial pre-conditions for building up the veins of growth which Ceylon showed in the very unfavourable external circumstances of the past two years.

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*China (Taiwan):* The growth and structural change of the economy of China (Taiwan) seems in recent years to have been led by exports. This impression persists. Exports consist increasingly of industrial products, which accounted for just below one-half in 1966 and 60 per cent in 1967. Industrial products are increasingly made for export. As a proportion of gross national product (at market prices), exports of goods and services were 18 per cent in 1966, against 13 per cent in 1962. Of the total value of manufactured food, beverages and tobacco, exports took one-third in 1966 against one-fifth in 1962. The share of exports in the rest of manufacturing rose similarly, from just under one-fifth in 1962 to nearly 30 per cent in 1966.

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[4] Constant 1959 factor cost, revised series. Cf. Central Bank of Ceylon, *Annual Report, 1967*.

[5] Constant 1959 factor cost, old series of gross national product (cf. Central Bank of Ceylon, *Annual Report, 1966*). This series indicated a growth of GNP by 1.6 per cent in 1966. The revised (1967) series raised this to 2.3 per cent.

[6] October 1966 — March 1967.

The rapid growth of capital formation which appears to be acting as the other leading sector of final demand (about 22 per cent of GNP in 1966) is likely to have become increasingly linked to exports. The manufacturing sector accounts for a rapidly increasing share of fixed capital formation. Apart from the direct creation of export capacity, export-generated urban incomes, notably profits, are likely to have been spent on further capital assets including commercial and residential buildings.

Towards the middle of the decade, the annual growth rate of gross national product declined somewhat. It stood at 8 per cent in 1966 but preliminary estimates for 1967 show a rise to just below 9 per cent, closer to the 1960-1966 average rate of 9.8 per cent. Agricultural production was affected by typhoons. It grew at the relatively low rate of 5.9 per cent in 1966 and at 5.3 per cent in 1967. Manufacturing growth had also been retarded by 1966 (13.7 per cent) but is estimated to have picked up in 1967 (17.5 per cent). By 1965, the value of manufacturing was three-quarters that of agricultural production so that the relative movements in the growth rates will have resulted in an acceleration of the growth of these two groups of commodity outputs put together.

Exports, at any rate, appear to have grown faster in 1967 than in 1966, rising according to preliminary reports by $100 million (or 17.5 per cent) in spite of a slowing down of sales to the Republic of Viet-Nam and the persistently low price of sugar. On the preliminary estimates, therefore, manufacturing and total exports rose in 1967 at about the same rate, almost twice as fast as GNP. Manufactured exports, however, again grew faster than manufacturing.

Imports increased significantly in the second half of 1966, and then very steeply in the second half of 1967. The total increase in 1967 was 37 per cent. While the import content of manufactured exports is increasing due to the growing importance of industrial processing, especially for Japan, this can account for a more rapid rise of imports but not, of course, for a rise faster than that of exports. Preliminary reports indicate a sharp rise in the capital goods content of imports in 1967. This points to a sharp rise in capital formation, mainly in industry. The indications of an acceleration in 1967 of the private building boom[7] which began in 1965 point to the wider extent of investment activity. The further growth in the export quota of manufacturing which appears to have occurred in 1967, together with a high growth rate of manufacturing, again suggests a connexion between exports and investment.

Trade gaps are increasingly financed by loans because United States grant aid ceased to be committed in 1964. United States aid funds nevertheless continued to finance imports at the rate of $67 million in 1965 and $34 million in 1966. As a share of total imports, United States aid financed somewhat more than one-third in 1960 and 1961, but less than one-tenth in 1965 and 1966. The decline has in part been offset by an irregular increase in private capital inflow and public loans. Direct investment and other private capital inflow amounted to $31 million in 1964, $19 million in 1965 and $62.5 million in 1966.[8] The over-all payments balance has permitted a fairly continuous accretion of foreign assets during the present decade.

Except for 1965 when net foreign assets declined, the increase in this factor has been a subsidiary cause of increase in the money supply in recent years. Government fiscal operations have resulted in a current surplus since 1963 and changes in net claims on the Government by the banking system have typically contributed to a reduction in total money. Money supply has increased at rates considerably in excess of the growth in real product. The main factor in the increase has regularly been the extension of bank credit to the private sector and, less significantly, to public corporations. Time deposits have expanded at rates greater than the increase in money, in step with the growth in the volume of transactions engendered by the rapid rise in real output. Interest rates were lowered somewhat in 1967 (the call loan rate coming down from 14 to 13.3 per cent). Prices in recent years have remained remarkably stable. The Taipei wholesale price index rose by less than 4 per cent a year between 1960 and 1964, fell in 1965 and rose annually by less than 2 per cent in 1966 and 1967. The consumer price index (major cities) increased 2 per cent in 1966 and 3 per cent in 1967.

The growth of the economy of China (Taiwan) appears on the whole to be increasingly demand-determined, in the double sense of the increasingly important role of exports and of the continuing reliance on the decisions and the savings of the private business sector. Given, furthermore, the present setting of growth and stability, the problems of the economy of China (Taiwan) seem to relate to the longer term of economic development. They arise partly from the dependence on exports, and partly from the internal distribution of real income.

As regards the former, the obvious question is what the impact of a cessation of hostilities in Viet-Nam would be, not just on the trade but also on industrial prosperity in Taiwan.

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[7] *Taiwan Production Statistics Monthly*, July 1967.

[8] A preliminary figure of $63 million of approved investment, cited as 80 per cent above 1966, is given in the administrative report of the Prime Minister to the Legislative Yuan, 20 February 1968.

Secondly, the reliance on private savings and initiative seems to explain a fiscal system which places increasing weight on indirect taxes. The share of direct taxation of all kinds has actually been steadily decreasing since the early 1950's, to the present 20 per cent (22-24 per cent at the beginning of this decade). The increasing capital intensity of manufacturing production probably explains much of the decline in the money wage cost per unit of industrial output, by 32 per cent between 1960 and 1966, but this fall is surprisingly large in an industrializing economy. Industrial money wages rose by 56 per cent and real wages by 40 per cent, while output per man increased by 82 per cent. The cost structure of manufacturing again shows a low share of labour cost in gross value added in manufacturing (56 per cent at factor cost in 1966).[9]

Industrialization appears to be based on low labour cost. The choice of new industries (e.g. industrial processing activities) and presumably also the techniques of production may be somewhat too confidently based on the persistence of this situation. Industrial efficiency and innovation are also not necessarily best promoted by low wages. To the extent that fiscal policy by its distributive effect aims at high levels of savings, the propensity to save out of wages and salaries may be under-estimated. In addition, the distribution of real income affects the pattern of demand and, in turn, the composition of output. The income distribution which China (Taiwan) appears to have in the present stage of its industrialization may steer industry into a pattern which is likely to run into stagnating demand more readily than if demand reflected a more equal distribution of income. With export activity built on low labour cost, it may become very costly to adjust the position quickly.

The recovery of *Indian* commodity production and incomes since the summer of 1967 was led by agriculture whose output had declined by over 16 per cent between 1964/65 and 1965/66 and followed still rather weakly by industry whose output in the years of drought rose comparatively little. On present forecasts, to the end of the financial year 1967/68 (end of March 1968) this recovery promises to restore the economy to its past long-term trend values of its main activities; but not yet fully so. Ample autumn and spring harvests promise 95 million tons of foodgrains, some 7 per cent above the bumper crop of 1964/65 but 31 and 27 per cent above the dry years 1965/66 and 1966/67.[10] Agricultural production as a whole is forecast to rise in 1967/68 by 20 per cent over the preceding year during which poor crops of sugar-cane and mesta had caused a further fall below the 1965/66 level. Total agricultural output other than foodgrains—basically industrial materials, beverages and sugar-cane—should thus attain its normal pre-drought level. Foodgrains should exceed the good crop of three years ago by a percentage which is somewhat less than that of the population increase (7.7 per cent). To restore consumption per head to the level of normal crop years in the first half of this decade foodgrain will have to be imported in 1968. To allow also for an addition of 3 million tons to the buffer stock, imports of 7.5 million tons will be needed in 1968, twice the quantity of 1961 and 1962 and perhaps 17 per cent more than in 1964. Imports in 1966 and 1967—10.3 and 8.7 million tons—had on average to furnish over 8 per cent of total supply.[11]

Growth in industrial output lags behind agricultural recovery. It should exceed one per cent in 1967/68, but seems likely to grow less than in 1966/67 (2.8 per cent for industry and 2.5 per cent for manufacturing, rates below those of the first year of crop failure, 1965/66). The growth rates are still well below those of 1964/65 (5.8 and 6.1 per cent). Except for sugar-cane, agricultural products for use in industry are all expected to exceed or equal in quantity the good crops of 1964/65. Raw cotton and jute are particularly ample.

Agricultural prices began to decline after the autumn harvest. They had risen 20 per cent in the financial year 1966/67, while foodgrain prices rose 29 per cent, about three times as much as in the preceding year and half as much again as in 1963/64, which saw a decline in agricultural output. From March to August 1967, foodgrain prices rose a further 20 per cent and then declined 13 per cent to December, in contrast to the price rise in the preceding August-December period and the constancy of prices in the same period two years earlier. The price index for all commodities also declined in the second half of 1967, after a 17 per cent increase in 1966/67.[12] Finished manufactures maintained their prices as they had done throughout the years of drought while prices of industrial intermediate products lost 8 per cent between March and December 1967.

National income in constant prices is likely to have risen about 11 per cent in 1967/68. Given the changes in the preceding two years (–4.8 per cent in 1965/66 and 1.7 per cent in 1966/67) income in 1967/68 should be some 7 per cent above the 1964/65 level. With a rate of population growth of 2.5 per cent per year, or 7.8 per cent in three years, income per head will not fully regain its 1964/65 level. The relatively stronger growth of agricultural outputs and the decline in the prices of manufactures relative to the prices of agricultural goods[13] make it probable that over half of this national income, in current prices, will arise from agriculture, against perhaps 45 per cent in 1966/67. The cash incomes of farmers will have increased significantly and their share in monetary income will have grown. Their share is likely to have grown already in 1966/67, but the extent of the absolute increase over the two dry years remains obscure because the reduction in marketable farm surpluses is unknown.[14]

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[9] Directorate-General of Budgets, Accounts and Statistics, Executive Yuan, *National Income of the Republic of China*, 1958-1966.

If rent and interest are excluded from gross value added, the percentage comes to 61, which is low by international standards.

[10] Agricultural years, ending 30 June.

[11] Imported quantities for calendar years. In the financial year 1966/67, the value of imports of cereals and preparations was $813 million, and in 1965/66 $677 million.

[12] All price changes measured between the last weeks of the specified periods.

The current value of capital formation undertaken directly by or with the assistance of the central Government was reduced in the budget for 1967/68 below the level of the preceding two years. Since devaluation took place in 1966, the real decline should leave it well below the level of 1965/66, and probably also below the level of 1964/65.[15]

The private sector restocked but there are no other indications of a resumption in private capital formation, certainly not in the statistics of imports which point to a continuous decline since 1965/66 in the volume and the value share of capital goods.

Imports, including food, are likely to be 6-7 per cent higher in 1967/68 than in the preceding year during which they fell by 11.4 per cent. Exports appear to be rising, but over the full financial year 1967/68 their rate of growth may not exceed that of imports. The trade balance will therefore have deteriorated. The trade deficit during the first six months of the financial year was less than in the corresponding months one year earlier, but as in 1966/67 the deficit on invisible trade counteracted this and the foreign reserve position deteriorated.

Gross disbursements of foreign assistance, which had fallen from $1,623 million in 1964/65 to $1,474 million in 1966/67, showed signs of recovery in the first half of 1967/68. Disbursements of project aid were, in particular, slowed down by the reduced tempo of investment and industrial activity during 1967. New commitments of assistance were particularly high in 1966/67 largely because of a bunching of aid commitments by the USSR and eastern European countries. The fall in commitments during 1967/68 was also due to the uncertainty surrounding United States aid and the exhaustion of International Development Association funds. Interest and amortization payments have continued to increase and were one-fourth of the gross aid disbursed in the first half of 1967/68.

While the Indian economic revival is now a fact, what remains in question is the shape of the Indian economy and the character as well as the rate of its growth after recovery of lost ground. This will be mainly determined by Indian economic policy. What has been referred to the Indian recession and much of the course of Indian exports and imports over the past two years seem to reflect simply the adjustment of the economy to a cut in the annual flow of agricultural output.

The loss of agricultural production, if taken by itself, would have amounted to a reduction of gross domestic product by over 6 per cent in 1965/66. In terms of its economic character, the lost output consisted partly of the principal wage good, food grains; and partly of staple export products.

The recession of demand affected industry and was superimposed on the scarcity of agricultural materials for use in industry, notably cotton, oilseeds and jute. The steep increase in agricultural prices reduced the real incomes of the non-agricultural population and probably failed to raise the cash incomes of farmers:[16] the real income of the economy and of both the agricultural and the industrial sectors had declined.[17] To stem price increases, government expenditure was held down and increases in expenditure occasioned by the drought (food subsidies) were balanced by cuts in plan outlays, absolutely in 1966/67 and in real terms in 1967/68. There was a sharp cut of 15 per cent in the central Government's gross capital formation in 1965/66. In 1966/67 central expenditure on capital formation rose in money terms, though the budget had envisaged a larger increase than was actually made. The rise was, however, devoted to increasing the depleted stock of foodgrains while expenditure on fixed assets declined further. The budget for 1967/68 envisages a monetary increase in central expenditure on fixed assets but still leaves it below the level of 1965/66. Also, total gross capital formation out of the resources of the central Government (including transfers) declined for the first time. The reductions in traffic forecasts led the railways to reduce their orders for rolling stock, a classic opening to Indian industrial recessions. Reduced capital formation in the public sector affected the private sector suppliers of capital goods. The industrial production index reflects the resulting decline of activity only imperfectly, with a negligible decline of capital goods in 1967 but a cut by about one-third in the output of railway wagons in each of the calendar years 1966 and 1967. The main record of the recession of demand for industrial products is found in the stagnation of the consumer goods sector of manufacturing in 1967. Food manufacturing, synthetic fabrics and paper declined in 1967 and cotton cloth has declined each year since 1965. Excess capacity appeared in the capital goods industries and in sections of consumer goods manufacturing. The ratio of stocks to current production rose steeply in the manufacture of certain finished and intermediate capital goods — and of the more popular consumer durables. Pig iron and steel production was cut each year since 1965, exports increased in 1966/67 but stocks rose in 1966 and 1967 to high levels. The continued decline in public orders of fixed assets was reversed only in the present financial year but actual purchases appear to have stayed at their low level. Private capital formation and private savings declined and their present recovery appears to be confined to the rebuilding of stocks of agricultural products. The recession of the capital goods industries may have turned, but not yet visibly so. In certain industries (spinning and weaving, knitting, miscellaneous textiles and footwear) a recession was already visible before the drought, and excess capacity appeared rapidly while investment demand was particularly sensitive. The decline in the flow of domestic output also affected exports, whether or not the process was preceded by price increases of exportables.

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[13] – 22 per cent between 1964/65 and the second half of 1967.

[14] The organization of agricultural production determines the fluctuations of the marketed surplus as output fluctuates. In practice, it is likely that Indian marketable surpluses fell more than output. A rough calculation shows that if marketable surplus had fallen by 19 per cent in the two-year period of drought when output fell 16 per cent, there would have been no noticeable gain in farm cash incomes.

[15] The budget estimate for 1967/68 put the value in current prices at less than 3 per cent above the actual value of 1964/65, and some 13 per cent above the actual value of 1963/64. The real value in 1967/68 may thus also be less than the real capital formation in 1963/64 as well.

[16] Cf. Government of India, *Economic Survey 1967-68*, para, 39.

[17] This leaves open the question of how income was, and is being, redistributed within the agricultural sector. Earlier experience suggests a redistribution in favour of landowners and owner-cultivators.

The main strain of the adjustment to the loss of resources appears to have been taken by investment. This declined in real terms in 1966/67 and is likely to remain at the lower level or even fall further in 1967/68.[18] The investment ratio declined from near 14 per cent in 1965/66 to about 12 per cent in 1966/67. It is likely to have fallen further in 1967/68. This process of adjustment may very well be traditional in the Indian economy. On this occasion it was accomplished largely by public policy. Given the past background of Indian planning and the wide range of controls available to the authorities, the decision to counter crop failure and price increases in this manner and to this extent may already indicate a certain change in the economic policy pursued in India since the inauguration of planning; even though the larger questions arise from later development of policy, at the time of unmistakable recovery of production.

The fact that famine was averted testifies to the skill and energy of the Indian administration, to the capability of the present Indian transport system and to the efficacy of international action without which foodgrain availability per head would have fallen lower than in any year since the 1940's: each of these factors was indispensable to the outcome. It also directs some overdue attention to the progress of Indian agriculture over the plan years which had raised the levels of nutrition of a rapidly expanding population. But a reduction of public expenditure on capital formation cannot raise food output in India. It can only serve to moderate the increase in incomes. The 'inflation' was not due to an excess demand for commodities in general but to the loss of supplies of foodgrains. If food prices had to be stabilized chiefly by restraining incomes, excess capacity in manufacturing was inescapable even though the distribution of this excess capacity was to some extent under government control. The 'recession', finally, was not due to deficient demand for commodities in general, but to the imbalance of outputs which foreign exchange considerations as well as physical limitations prevented from being rectified by even larger imports of food. In the absence of greater powers of direction of supplies by the centre and of greater control over food prices, the Government's action seems to have been unavoidable. Its size, however, may have been determined also by the budgetary position and this in its turn suffered from the weak agricultural tax system, and from the rigidities of aid appropriation which caused some under-utilization of project assistance.

The main direction of India's economic strategy in the next few years, and the choices that confront India's policy makers at this time are still to be determined, but the progress of Indian policy in the period of agricultural recovery that began in 1967 may mark a turning point from the difficulties which the Indian economy experienced in the last two or three years.

The measures of liberalization which were taken from the middle of 1966 onwards coincided with the process of adjustment to a loss of domestic output. They extended to the withdrawal of import licensing from priority industries which account for about three quarters of industrial output, subject only to domestic procurement of specified products mainly of a capital nature;[19] to the abolition or easing of price and distribution controls in respect of some important industries (e.g. steel, coal, sugar); to the reduction of control over industrial resource use[20] and the withdrawal of tariff protection in 1966 from four of the eight industries which had retained their special protection.[21]

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[18] Government of India, Planning Commission, *Annual Plan 1967-68;* Government of India, *Economic Survey 1967-68.*

[19] Cf. chapter IV, below. 59 industries were permitted to import, on a continuing basis, all their requirements of inputs, except articles specifically banned. The main changes in this policy concern the size of the banned list and the extent to which the procurement of domestically available supplies is being policed. While the policy of June 1966 seems to have simplified this control by demanding merely the observation of the specified bans, in April 1967 there was a return to individual scrutiny of import applications to raise the domestic content of production.

Devaluation, the exemption of certain competitive imports from import liberalization and exchange shortages tended to maintain protection for most of the new industries and encouraged import substitution. The expansionist budget for 1968/69 is designed to act in the same sense. The reduction of capital goods imports also freed some resources for imports of materials to utilize free capacity but this could only apply to the import of materials which had been affected by the failure of agricultural outputs. In other cases, the policy expressed a shift away from the strained development policies of earlier years. In circumstances of an agricultural recovery and a return to the earlier trend of outputs, some aspects of liberalization policy will undergo tests that have not so far been necessary.

Some aspects of Indian liberalization continue earlier trends (e.g. the decontrol of steel); some of the immediate effects of liberalization were suitable to the circumstances, but could of course have been achieved by control policy as distinct from the change of the rules of policy. The total impression of the changes is that Indian economic policy is working out fundamental decisions concerning the role of planning and the basic strategy of development.[22]

The present policy of stimulating incomes and output by government orders of capital equipment and by measures of credit relaxation for the benefit of the private sector aims at assuring the fullest recovery of income and growth of demand that is consistent with disinflation. The budget for 1968/69 tends unquestionably in that direction.[23] It caters for a record deficit of Rs 2,900 million. It is thus in great contrast with the balanced budget of the previous year even though the central Government's operations and the decline in revenue in 1967/68 appear to have resulted in a deficit which was a trifle larger than the one which is now accepted in the budget. The declared objective is to revive demand and industrialists' investment. The tax changes follow this purpose by easing the rate of surtax on company profits and by reducing taxation on dividend distribution and on unearned incomes. Commodity taxes are substituted, but an increase of the general level of taxation is rejected as harmful to the economy. While plan outlays are to rise somewhat above the 1967/68 levels, the broad category of capital expenditure is to stay substantially at the level budgeted for in 1967/68, and thus below the actual capital expenditures of the last financial year. A buffer stock of grain will be a main charge on capital expenditure but while adding to incomes and promising a much needed security of supply, its constitution will not directly expand productive capacity. Capital expenditure under the plan will, it seems, be directed to existing projects. The budget thus appears to contain a strong element of functional finance and its general intention is supported by measures of credit relaxation, in the form of lower interest rates, in March 1968. It gives no indication that the revival of income is to be utilized for a resumption of the planned and centrally directed use of resources. Generally, the present policy does not answer the question how Indian resources will be distributed over the coming years, as between outputs and between present and future consumption; and the role which consumer demand will play in the determination of these matters. Clarification may have to await the revision and completion of the fourth plan (originally for the years 1966-1970) which is still in progress.

The distribution of recovering income during the past two years increasingly favours the agricultural sector which is touched only lightly by direct taxation. Together with liberalization of imports and domestic allocation controls, this development returns to certain classes of consumers powers of decision over the pattern of future production which Indian policy till 1966 had restricted. If liberalization survives the growth of income and import demand and the more so if it is carried to the point where present rules for priority use of domestic products are relaxed, the central Government's claim to direct resources will almost certainly have to be restrained by comparison with the third plan period. The direction of Indian development—or, at least, the procedure of directing—is thus very much at issue. In the discussion of policy, the achievements of the past may have been dismissed too lightly. By its own specifications, planning of the comprehensive type that was practised in India could not have yielded quick results in terms of production for consumption or resource flexibility. In addition, it is necessary to consider the full implications of the changes in the Indian situation since 1965 for the scope of future action. One of the contending views suggests that demand has been the constraint on recent growth rather than foreign exchange. If this is accepted it would follow that a resumption of planning should await the revival of domestic demand, and a pause of two years is widely mentioned. But in the meantime, income has been redistributed towards the lightly taxed agricultural sector and various measures of liberalization have been adopted. When these factors are combined with budgetary expansion and a restraint in public capital expenditure, the market may produce a new pattern of outputs and of private investment. Under these circumstances, a decision to suspend planning for some years after production begins to recover may therefore be more far-reaching than appears at first sight.

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[20] By the liberal grant of permission to switch capacity between different end uses, within the limits of foreign exchange allocations.

[21] Tariff protection had been withdrawn in 1965 from four industries in the metals and engineering sector and sheet glass and matches. In 1966, textile machinery, piston assembly, aluminium conductors and antimony were de-protected.

[22] Cf. the change in the *de facto* status of the Planning Commission and the discussion of past Indian planning in the budget speech of the Deputy Prime Minister and Minister of Finance, *The Gazette of India*, No. 69 of 25 May 1967, pp. 212, 213.

[23] Cf. *The Statesman*, Calcutta, 1 March 1968.

Experience and considerations of principles suggest that a considerable measure of long-range planning and central direction is required for the steady economic and social development of an economy of the Indian type. The role of Indian planning has been to build a developed economic structure by methods of rather strained resource utilization and upon a political assessment of the balance between the claims of future and present consumption. In terms of the present situation, it might be argued, this role would imply that the renewed availability of resources rather than buoyant internal demand has to be regarded as the crucial condition for development and for a resumption of a planned drive for economic growth. If this view prevails action would be required in the near future since the distribution of incomes and the pattern of capacity might otherwise diverge from the broad path of Indian planning.

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The major tasks of *Indonesian* economic policy in recent years have been to curb inflation and to restore a measure of orderly development. The economic environment of the year 1967 was far from favourable to the pursuit of these ends. Drought reduced agricultural outputs and the international prices of rubber and tin, which are Indonesia's two main export commodities, fell significantly. That the Government did nevertheless succeed in slowing down the rise in prices was due to external assistance to the tune of $200 million for use in 1967 as well as to the Government's apparent willingness to subordinate the objectives of economic rehabilitation and growth to the requirements of financial stability. Compared with the price increases of 600 per cent and above in 1965 and 1966, in 1967 the general price index rose by only 112 per cent. With better crops, inflation might have come close to petering out in the first half of 1968. The rate of depreciation in the external value of the rupiah and the rate of growth of the money supply similarly declined.

The main feature of the Government's stabilization policy was the attempt to balance the central budget. Apart from essential repairs to the transportation system, development expenditure in 1967 was negligible. Total expenditure in 1967 amounted to Rp 89 billion and total receipts to Rp 84 billion. The deficit of Rp 5 billion was 6.1 per cent of total receipts, much less than the 1966 deficit of 127.3 per cent or the 1965 deficit of 173.7 per cent of receipts. Counterpart revenues from $180 million of foreign credits played a crucial role in securing this budgetary success. The Indonesian Government obtained the agreement of donors and lenders to have these credits sold to private importers and thus be absorbed by private demand. To strengthen the anti-inflationary effect of these operations, foreign credits were no longer allocated to licence holders at relatively low rates of exchange but were sold in a separate market in the form of special Bonus Export (B.E.) certificates at prices which were brought close to those in the market for the normal B.E. certificates issued to exporters against part of their foreign exchange earnings. The credit B.E. rate rose from Rp 85 per US dollar at the beginning of 1967 to Rp 140 at the end of the year. In line with the increase of the free B.E. rate, it was again adjusted to 240 on 24 January 1968. The "free" or market B.E. rate moved from 85 at the beginning of 1967 to 240 at the end of the year and to a high of 300 on 8 January 1968. The proceeds from the sales of credit B.E. amounted to Rp 25.6 billion in 1967, constituting 30 per cent of budget revenues. An additional Rp 10.6 billion or 12 per cent of revenue was obtained from sales of B.E.'s surrendered by exporters by way of export tax.

The price decontrol measures introduced in 1967 also contributed to the success of the 1967 budget. No attempt had been made throughout the period of rapid inflation to adjust public utility pricing or transport and other controlled rates. State enterprises were running at huge deficits and made little or no attempt to rehabilitate or modernize rapidly deteriorating plant and equipment. The decontrol of prices in 1967 led among other things to an increase of 700 per cent for gasoline, of 1,100 per cent for electricity and water supplies and of 1,600 per cent for domestic postal rates. Even then, rates for these services were among the lowest in the world.[24]

The budgetary cuts and price increases of utilities, transport and state-traded supplies were accompanied by severe monetary restrictions including upward revisions in interest rates to bring them closer to the rates in the free markets for loans.

While the decline in agricultural output occurred independently and raised prices in the latter half of the year, the deflationary policies are bound to have strengthened the recessionary tendencies in industrial production which form between 10 and 13 per cent of national product. Manufacturing outputs either declined (cement) or increased only slightly (textiles). Much of this may be the effect of the progressing obsolescence and general deterioration of equipment and infrastructure, but deflation was sufficiently effective in the earlier months of 1967 to keep the rate of disbursement of foreign credits through the market for credit bonus certificates below expectation. The authorities thereupon relaxed monetary restrictions, including interest rates, so that total bank credit outstanding rose by 240 per cent to November. Also, the disbursements of foreign credits on the B.E. market were stepped up considerably. Domestic industrial production, however, does not seem to have benefited but to have been kept low first by deflation and then by imports. The rise in the rupiah price of B.E. certificates indicated the presence of a strong demand for imports: deflation affected purchasing power less than industrial output. The rates rose in two steep steps, the first in May and the second in the autumn when foreign credits were approaching exhaustion and speculation against the rupiah presumably revived. As the rates turned down early in 1968 the effects of the recession in outputs may have begun to be reflected in effective demand for imports; and speculation may have begun to hesitate.

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[24] Converted at the B.E. rate of Rp 100 to the dollar, the new gasoline price was equivalent to 4 US cents per litre.

The 1968 budget (January-December) aims at a fully balanced budget of Rp 139 billion. This is to be achieved with an expected Rp 33 billion of foreign credits sold to the public in the form of bonus certificates and very significant increases in tax revenues. Revenue from direct taxes is to be doubled to 24 per cent of total revenue. In 1967 it formed a mere 19 per cent of total revenue.

The Indonesian authorities appear to have confined themselves too far to the classic general policies against inflation. To assure continuing stability will require the growth of output which is itself a chief purpose of development policy. To this end, more specific policies of public intervention may soon be required and more attention should be given to the five-year economic development plan being formulated.

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A severe drought in the summer of 1967 diminished agricultural output in the *Republic of Korea* by over 6 per cent compared with the previous year. Rice, the main primary output and the main item of food consumption, fell by over 8 per cent. The output of other foodgrains declined even more, and the total foodgrain production fell by almost 10 per cent. The share of primary production in total value added fell just below one-third, and the reflection of the crop failure was a lower rate of growth of gross national product, 8.4 per cent in 1967 as compared with 13.4 per cent in 1966. At a 2.4 per cent rate of population increase in 1967, brought down from 3.0 per cent in 1955-60 to 2.6 per cent in 1960-66, this yields a sizable addition to income per head.

Industrial output rose more than 20 per cent, and manufacturing above 22 per cent. If the drought of 1967 had not reduced the power output of the hydroelectric plants, the growth of manufacturing and of course also of industrial output would have been even greater.

The ratio of gross domestic capital formation to gross national product rose in 1966 to 23 per cent, almost twice the ratio of 1961. In 1967, the rate of growth of capital formation was somewhat below that of the preceding five years, but it still increased more than twice as fast as national income. The slowing down in capital growth is presumably accounted for by the release of rice from buffer stocks and by a slower growth of budget appropriations for capital formation. On the other hand, the urban building boom appears to have gathered pace at the same time, and the evidence of accelerating imports of capital goods in the second half of 1967 points to increased investment in productive capacity in private industry. At the same time, government current expenditure on defence increased by about two-thirds in the two years ending 1967.

Exports were a further rising claim on resources, and appear to have become increasingly an engine of growth. They still furnish only some 10 per cent of gross national product but grew in 1967 at a rate of 46 per cent, exceeding the growth rate of 44 per cent on the average of the five years to 1966. Manufactured goods occupy a rapidly increasing share of exports; their variety has increased and now extends to chemicals, machinery and transport equipment as well as the more traditional textiles and plywood. Manufactured exports accounted for 66 per cent of total exports in the first ten months of 1967, compared with a mere 14 per cent in 1960.

While the Republic of Korea's export success is remarkable both in its speed and its commodity composition, exports of merchandise still cover only one-third of imports (while exports of goods and services account for a little less than one half of similar imports). Imports, which had been rising more slowly than exports in the five years to 1966, surged ahead in the first ten months of 1967 at a rate of 46 per cent. The trade deficit accordingly grew abruptly from $466 million in the whole of 1966 to $503 million in ten months of 1967. The great upsurge in imports consisted primarily of crude materials for industrial use such as textile fibres and wood, of intermediate goods such as iron and steel, textile yarns and metal manufactures, and of machinery. The recent increases in exports, strongly induced in 1966 by the demands generated by the hostilities in Viet-Nam, and increasing domestic consumption of manufactures furnish the immediate explanations for the spurt of imports. Beyond them one needs to look at the extent to which the recent growth of manufacturing, capital formation and exports has strained the economy of the Republic of Korea.

Price increases have however been moderate. In 1967, the rise in the wholesale price index, by 6 per cent, was smaller than in 1966 when it grew by over 7 per cent. But for the poor grain crop, the index would have been even stabler. The stability of prices may be more difficult to maintain in 1968. But, if import liberalization can be maintained with the help of export growth, foreign assistance and commercial loans; if output continues to grow as it did in 1967 in spite of poor harvests; if savings behaviour continues as recently and if the fiscal effort continues to meet with success, the Korean economy may be capable of adjustments without spurts of price inflation. Import liberalization has been used for some time as a means of disinflation. Savings, which have reached high marginal rates, are encouraged by high interest rates (27 per cent real, in 1967). Tax revenue increased greatly through an improved enforcement of tax law. The ratio of tax revenue to GNP, while still low at 9.5 per cent in 1967, has nevertheless been rising rapidly. Tax reform is being initiated to enlarge revenue and to share the tax burden more equitably, a matter of growing urgency in view of the growing inequality in the distribution of income which seems to have accompanied industrialization.

The Government of the Republic of Korea intends the public sector to play a major role in the mobilization of domestic financial sources since a large part of investment in the near future will be in social overhead capital requiring public outlays. An aggressive fiscal policy has been formulated and the budget expanded to support economic development and at the same time maintain a monetary balance. The formulation of the budget for both 1966 and 1967 broke away from the conservative approach of the preceding two years. The total budget expenditure was raised (in current price) by 55.7 per cent in 1966 and by a further 24.4 per cent in 1967. The ratio of expenditure to GNP grew accordingly from 27.9 per cent in 1965 to 34 and 35 per cent in 1966 and 1967 respectively.[25] Since the failure of the rice crop will exert pressure on prices in 1968, budget expenditure must be predicated on adequate revenue. The increase in wholesale prices is to be confined to 6 per cent, and this seems an ambitious target unless foreign capital continues to support the economy on an increasing scale as it did in 1967.

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*Malaysia* exports about 42 per cent of its gross domestic product and has thus, by Asian standards, a very high direct (or average) dependence on a limited range of exports. Two-fifths of export earnings are derived from rubber and a further two-fifths from tin, timber, iron ore and palm oil. The fall in world prices of rubber, tin, iron ore and palm oil in 1967 — timber is the exception — was bound to affect a large portion of income and impinge on the resources for development. The rise in the import price of rice acted in the same direction. The growth of real product is estimated at 5.6 per cent per annum from 1960 to 1966 and has meant an annual improvement of nearly 3 per cent in real income per head. The retardation of exports during the past two years has become sufficient to affect the growth of real product. The decline in export earnings in 1967 may well have reduced the rate of growth to a level below that of population growth.

Gross capital formation has occurred at a rate of 18 or 19 per cent of gross national product (at market prices) since 1961, with private-sector investment contributing more than two-thirds of the total. Total investment is reported to have fallen slightly in 1967 and difficulties have begun to appear in acquiring external sources for public investment; this may be remediable in the long run, however, given the established credit-worthiness of the present Government. In part the appearance of stringency results from the reduction of expenditure on United Kingdom forces; this source of foreign exchange had in any case been increased since 1963 in response to Indonesian confrontation.

The size of the development task increased with the formation of Malaysia in 1963, and the acquisition of the Borneo territories of Sabah and Sarawak. The separation of Singapore from the Federation in 1965 reduced financial resources and added further burdens in the form of a duplication of harbour facilities and competing industrial establishments.

Government policy has been cautious in all respects. Prudence in economic policy is reflected in the modest character of the development programmes and in fiscal and monetary restraint. While development expenditure has been the predominant cause of budget deficits in recent years, rising costs of administration and the slower growth of tax revenues have resulted in deficits in the ordinary budget since 1966. The lion's share of the over-all deficit has been financed by domestic borrowing and from accumulated assets. This allowed the avoidance of inflationary effects except in 1966. Total money supply expanded by over 10 per cent in that year but by September 1967 the annual rate of monetary expansion had been reduced to some 6 per cent, with nearly nine-tenths of the increment attributable to increased bank lending to the private sector. At the same time, savings deposits continued to grow at a rate of over 15 per cent per annum. The retail price index in West Malaysia rose by less than one per cent per year from 1962 through 1966. Increased costs of foods, rice in particular, pushed the index up by nearly 7 per cent during the twelve months ending November 1967.

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[25] Grand total expenditure of the government including special accounts.

Long-term policy has had a measure of success in West Malaysia.[26] Manufacturing grew rapidly between 1960 and 1965 though it still formed only 13-14 per cent of total commodity production in 1966.[27] Diversification in agriculture has also proceeded, especially by the rapid growth of the output of timber, palm oil and deep sea fishing. But some of the observed change in the composition of Malaysia's outputs reflects a "downward diversification" due to the falling prices of major export crops. While agricultural output rose in recent years at 8-9 per cent annually, its share in gross product at current prices fell from over 40 per cent in 1960 to less than 33 per cent in 1965.

The policy response to the prevailing deterioration has assumed several forms. Commercial policy has been aimed at diversification of markets for traditional exports (especially to eastern European countries). The Government intervened (in September and October 1967) in the market to support the price of rubber and has been active in its effort to establish an international rubber stabilization programme. On the production side, emphasis continues to be laid upon increased productivity in rubber and upon product diversification, e.g. encouragement of a shift to palm oil. Irrigation, increased use of fertilizer (subsidized), improved cultivation techniques, and better processing, marketing and credit facilities have all been programmed for small-holder agriculture both for export and for domestic food production; rice cultivation has long been encouraged by the maintenance of a support price for paddy. For manufacturing, a pioneer programme has been in existence for several years with tax incentives, provision of infrastructure and protection against competition from imports. In a number of products considerable import substitution has taken place (food processing, fertilizer, pharmaceuticals, cigarettes, tyres, construction materials, and most recently, automobile assembly and steel). Added incentives are being offered to encourage exports of manufactures, particularly those which utilize domestic raw materials.

The problem of financing the development programmes has grown with the retardation of export income. Since 1963, Malaysia has adapted its taxation structure and raised tax revenues in a way that is quantitatively impressive even though it raises questions about the distribution of real income. Excise revenue increased rapidly from 1963 onwards and doubled its proportionate contribution to total revenue in the three years to 1966 (17 per cent). Direct taxes have also risen somewhat—but not much faster than revenue since 1965. The rather successful domestic borrowing operations of the Government presumably transfer savings from the direct-tax payers, but from the point of view of income distribution taxing and borrowing are different things.[28] The most significant recent tax changes occurred in 1967 and include a development tax of 5 per cent on earned incomes, in effect an income tax surcharge, which also seems in line with the general distributionary rules of Malaysian taxation and probably supports the particular mixture of taxing and borrowing which Malaysia has developed. The recent changes, which also include a 2 per cent general surcharge on imports, are estimated to yield an increase in revenues of 11 per cent in 1967, more than in any year since 1963 and despite an expected reduction by one-fifth in the yield of export taxes. The increase in the yield of direct taxes, estimated at 11 per cent against 18 per cent in 1966, will nevertheless reflect the decline in exports.

The First Malaysia Plan (1966-1970) proposed a public investment target of M$4,550 million, of which approximately half was originally intended to come from external sources. Because of a delayed start in the effort to obtain foreign assistance, it is thought unlikely that more than a third of the total expenditure can be so financed. In view of the limitation on the utilization of external reserves, domestic sources will have to sustain half or more than half of the planned expenditure unless plan targets are lowered. Only minor tax increases have been imposed for 1968 and no major changes in development allocations have been included in the 1968 estimates. There are limits to the pruning of government recurrent outlay if important economic and educational programmes are not to be eroded. The Government appears steadfast in its resolve to avoid recourse to methods of finance which might generate inflation. This policy circumscribes the new greater freedom of monetary action which Malaysia acquired through the recent extension of the functions of the central bank.[29] Given its general policy of development finance, and the view that the taxable capacity is near its limit at the present rate of 20 per cent of GNP, the Malaysian development efforts may need some scaling-down when the plan is reviewed later in the year.

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[26] West Malaysia produced seven-eighths of Malaysian gross domestic product in 1966 and nearly nine-tenths in 1961.

[27] Commodity production including transport, utilities and construction.

[28] Cf. United Nations, *Economic Survey of Asia and the Far East, 1966*, p. 42.

[29] The process and results of the split of the currency of Malaysia and Singapore are examined in the appendix to this chapter.

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The economy of ***Pakistan*** owed much of its growth, at a rate of more than 5 per cent annually during the first half of this decade, to the relatively high rate of growth of its agriculture. Its performance during and after the relative agricultural stagnation and food shortage of the past two years speaks of considerable resilience. What remains to be seen is the impact of agricultural failure and disappointing aid receipts during the first two years of the third plan period upon the form and speed of future economic growth and on the regional and social development of the country.

Agricultural production as a whole stagnated in 1965/66[30] and then grew by about 3 per cent in 1966/67. Food crops declined in 1965/66 by over 3 per cent, mainly because of a reduced wheat crop, and in the following year rose by about 2.6 per cent from the lower level. They thus remained short of the quantity produced in 1964/65. While wheat production increased in 1966/67, rice which is the staple foodgrain in East Pakistan, fell by almost 9 per cent. At the time that the food crops failed, imports of cereals mainly from the United States under PL 480, were particularly low. The availability of foodgrains per head of the population thus dropped by 10.5 per cent between 1964/65 and 1965/66. The percentage decline was smaller than the one that India suffered in roughly the same period, but it started from a lower level: Pakistan has somewhat less to spare in terms of foodgrains per head. Production in 1966/67 rose no faster than population but imports of wheat were almost twice as great as in the preceding year adding about 7 per cent to domestic production. Availability per head will, therefore, have increased in 1966/67. The wholesale price of wheat in West Pakistan rose in 1966/67 by about 51 per cent while that of rice in East Pakistan had already risen by 19 per cent in the previous year and now rose by a further 30 per cent. Both prices were declining in the second half of 1967.

The hopes of the third five-year plan (1965-1970) regarding agricultural growth thus remained unfulfilled in its first two years. The plan envisaged a rise in the agricultural growth rate from the annual average of 3.5 per cent in the second plan to 5 per cent in the third as a major source of the planned acceleration of national output. Already in the last year of the second plan (1964/65), agriculture had grown at only 2.5 per cent, and in the following two years it grew at 0.8 and 3.2 per cent. The revision of the planning priorities and allocations in 1966 and 1967 bear the mark of this disappointment.

Industrial output at 8 per cent and manufacturing at 9 per cent, grew faster in 1966/67 than in the preceding year. But their growth had not as yet recovered its pace in the years immediately before the coincidence, in 1965/66, of food crop failure, war and reduced aid receipts. In 1967, the output of cement rose sharply, jute textiles increased much in the later part of the year and cotton textiles returned to the level of 1964/65.

Gross domestic product in 1966/67 rose by slightly over 5 per cent, compared with 4.6 per cent in the previous year. A further agricultural improvement and the continuation of the industrial trend should result in similar or somewhat faster growth in 1967/68.

Capital formation amounted to 12.5 per cent of the gross national product in 1965/66 and to 19 per cent in the year before. The available indicators allow no conclusion about the financial year 1966/67. Construction rose by 12.5 per cent but the import of machinery and transport equipment hardly rose at all. In the later part of the year, however, imports of capital goods increased rapidly and a rise in investment is therefore likely to have taken place.

Exports continued their remarkable growth throughout 1965/66 and 1966/67, at about 13 and 11 per cent respectively. A somewhat smaller rise must be expected for 1967/68. As in earlier years it is the statistically minor exports, which means on the whole the exports of new products, which display the greatest increase, more than twice as fast as total exports. They trebled in value between 1960/61 and 1966/67 and amounted in the latter year to almost one-third of the total.

The value of imports rose by some 23 per cent in 1966/67, at a rate greatly in excess of that of exports. But while the growth of exports had gone on across the unfortunate year 1965/66 the value of imports had declined. The imports of 1966/67 were still lower than those of 1964/65, and so was the trade balance, at $459 million (Rs 2,187 million). The increase in imports was largely due to the need for, and the possibility of, importing cereals: the gross import of rice more than doubled relative to the preceding year, and that of wheat rose by almost 90 per cent. Cereals formed fully 15 per cent of the year's imports, compared with less than 9 per cent in the year before. Manufactured goods other than capital goods and chemicals[31] also increased considerably, by 27 per cent, after a larger fall in the year before.

The deterioration of the balance of payments in 1967 which followed on increased food imports and the delay in the arrival of United States commodity aid was parried by what seems a tactical retreat from trade liberalization. In July 1967, 94 import items were made subject to licensing. The import policy for January-June 1968 revokes much of these restrictions by reducing the number of licensable imports to 13. The recovery of agriculture and of aid and the steadying price level allowed a return to the earlier import policy.

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[30] July to June.

[31] SITC sections 6 and 8.

Given the short food crop and the defence expenditures of 1965/66 it is noteworthy that the general wholesale price index only rose 4 per cent, a movement that was made up of a slight fall in the west wing and a rise by 10 per cent in the east wing. The divergence was faithfully repeated in the index of food prices. The significant price increases were deferred till 1966/67: 14 per cent in the general wholesale prices, 19 per cent in food prices. Once again, the steeper increases occurred in East Pakistan: 15 per cent for the prices of all commodities against 10 per cent in the west wing and 19.5 per cent for food prices against 17 per cent in the west wing. The price index of manufactures rose less than 4 per cent in the west. In the east, where expenditure in the second year of steeply rising food prices was presumably diverted to foods, the wholesale prices of manufactures remained stationary. Raw material prices declined slightly in the east and rose marginally in the west.

The real incomes of the consumers of food and the producers of raw materials were thus more affected in the poorer east wing than in the west and the gap between the two which the plan intends to eliminate may thus have widened.

The price increases appear to have abated in the later part of 1967 and the level of food prices may have been reduced in the last months of the year.

Larger imports acted as a check on prices and monetary and fiscal measures were employed to prevent inflation. Credit was restricted in mid-1967 by an increase in the reserve requirements of commercial banks and at the beginning of the year bank advances were selectively restricted. The extent of deficit financing was also reduced in 1966/67. Because the expected revenue surplus did not materialize and because net capital receipts were similarly lower, bank borrowing became the source of almost 80 per cent of the domestic finance of the plan, instead of the 13 per cent of the revised estimates.

In 1966/67, increased tax revenue and reduced current expenditure allowed the centre to finance 57 per cent of plan expenditure. The budget for 1967/68 envisages a 19 per cent rise in expenditure the bulk of which is to be development expenditure, which should rise by 25 per cent. Domestic resources are expected to rise by 15.5 per cent.

The bad crops and the unexpectedly low aid receipts led to revisions and to a re-phasing of the third plan. External assistance had only furnished 45 per cent of development expenditure instead of 53 per cent. Defence expenditure and low agricultural expansion had also reduced the revenue surpluses on which the financing of the public sector expenditure hinged in the third plan. The revision of the plan leaves unchanged the total requirement of domestic resources. It envisages a doubling of the amount of plan expenditure that is to be covered by deficit financing, from 8 to 16 per cent of the total, to compensate for the expected reduction of surpluses from public revenue and a reduced expectation of capital receipts.

The size of the plan and its over-all distribution between the Government and the private sector was maintained. Since there had been a shortfall in public expenditure in the first plan year, the annual public expenditure had to be accelerated above the speed of increase which the original phasing involved. The strategy was changed firstly by placing greater emphasis on agriculture, agriculture-based industries and the offer of incentives to farmers; by seeking a fuller utilization of installed capacity and by concentrating on projects with short gestation periods. It appears probable that these new principles, if combined with an unchanged size of plan, will lead to somewhat lower growth in the next five-year plan than was originally envisaged. This seems, on the face of it, a sensible and methodical way of meeting the shortfall of resource arrival.

Secondly, the inter-sectoral shifts of plan allocations are associated with a redistribution of investment targets between the private sector and the Government. This goes especially for industrial investment.

The allocation to industry in the public investment plan was reduced by 19.5 per cent. Since the original level of planned investment is to be carried through, the private sector must take care of 73 per cent instead of 65 per cent of the programme. Even though private investment in West Pakistan has in the past shown much buoyancy there seems to be reason for expecting that this scheme of redistribution reflects a decision to widen the margin of uncertainty about the achievement of industrialization plans.

It remains to be seen how the reduced public budget for industrial development will be distributed between West and East Pakistan. The third plan had taken account of the private sector's preference for industrial investment in West Pakistan by allocating 69 per cent of the public sector's industrial plan expenditure to the East. As a result, East Pakistan was to have 54 per cent of all industrial investment, public and private, during the plan period. If the original target for industrial development is to be achieved and if East Pakistan is to retain its original share in it, the regional allocation for industry, fuels and minerals in the public sector will either have to be changed or more of private investment has to be channelled to the East. The latter policy, if adopted, would test the efficacy of the Comprehensive Industrial Investment Schedule which is Pakistan's main instrument for implementing the plan in the private sector. The entire operation of the adjustment in planned sectoral allocations and in the strategic principles of plan action while bound to raise questions about the feasibility of plan targets and objectives does nevertheless appear as evidence of great flexibility and preparedness in the system of Pakistan planning.

*Philippines:* In 1967, with larger outputs of paddy and sugar, agricultural production was expected to grow by 5 per cent; this was higher than the average annual growth rate of 3.2 per cent during 1960-1966.[32] After the relaxation of credit in mid-1966 and the special refinancing programme for the textile industry (supported by the partial success of the anti-smuggling campaign), industry should have grown a little faster than the 8 per cent attained in 1966. On these assumptions, the real growth rate for 1967 would be about 6 per cent, higher than the average of 5.0 per cent during 1962-1966.

The increase in agricultural production was mainly for domestic consumption. The value of exports during the first nine months of 1967 declined by 8 per cent compared with the corresponding period in the previous year. The average annual growth rate of exports in 1960-1966 was 7 per cent. The sharp decline in 1967 was due to a shortfall in the production of copra, resulting from damage by typhoons, and the need to restrict exports of logs and lumber below the high levels of 1965 and 1966—3.7 million tons in 1966 against 2.4 million in 1964—since overcutting was depleting forests too rapidly, occassionally causing soil erosion. The reliance of the Philippines on this resource has thus become problematical. This, rather than the terms of trade, which improved in 1967, is the current reflection of the high concentration of Philippine exports. Of total exports, 85 per cent consisted of coconut products, sugar, hemp, lumber and copper concentrates and only 6 per cent were in the form of manufactured goods. Exports of pineapples and plywood were growing in importance but the pattern in 1967 was still traditional.

By contrast, imports during the first three quarters of 1967 increased by 24 per cent over the corresponding period in 1966. A study of the structure of imports in 1965-1966[33] shows that over 60 per cent of the total consisted of unprocessed and semi-processed raw materials for manufacturing industries which add little value to total output. It appears that the relaxation of credit during the first half of 1967 further increased the imports of raw materials and consumer goods including rice.

A comparison of the resources and their utilization in 1963 and 1966 shows an average gross fixed investment of 18 per cent of GDP. The composition of the fixed investment in 1962-1966 shows a high degree of orientation to services and manufacturing.[34]

With the decline in exports and the rise in imports, the trade deficit widened in the first three quarters of 1967. The slight improvement in invisible trade prevented a sharp fall in the international reserves.

The cost of living index in the first three quarters of 1967 rose by 6 per cent, as much as the rise during the whole of 1966. The money supply during the period increased by only 1 per cent compared to an increase of 8 per cent in 1966. The small increase in money supply was due to the substantial outflow of foreign assets which offset the 15 per cent increase in the credit extended to the private sector.

In mid-1967, the Central Bank again introduced credit restraints to improve the balance of payments position. The rediscount rate was raised from 4.75 to 6 per cent, with exceptions for the financing of exports and the imports of rice; rediscount quotas for commercial banks were reduced by 50 per cent for the remainder of the year. Reserve requirements were increased from 10 to 11 per cent for demand deposits and from a range of 5-8 per cent to a uniform rate of 8 per cent for time and saving deposits and they were to rise further till the end of the year, when they should have reached 16 per cent and 10 per cent respectively. Commercial banks were required to maintain 100 per cent reserves in respect of foreign exchange liabilities; imports above $100 had to be covered by letters of credit. A cash marginal deposit ranging from 25 to 150 per cent was imposed voluntarily by commercial banks for the opening of import letters of credit depending on the essentiality of goods.

The effort to curb the growing government deficit resulted in current receipts exceeding current disbursements in the financial year to June 1967.

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[32] Table II-1-4, 1966 *Survey*, p. 104.

[33] *Central Bank Annual Report*, 1966, p. 66.

[34] Table II-1-5 of the 1966 *Survey* shows that only 5.5 per cent of the gross fixed capital formation in 1960-1965 was allocated to agriculture compared with 25 per cent for manufacturing.

Higher collections by the customs and the internal revenue bureaus, together with the anti-smuggling campaign, were primarily responsible for the increase in revenue. The resources used to cover the operational budget gap came largely from the floating of treasury paper. Public debt outstanding during the early part of 1967 showed greater reliance on domestic sources, in contrast with the heavy dependence on foreign borrowing in 1966. Domestic public debt increased by 18 per cent while external debt decreased by 6 per cent. The Administration presented to Congress tax proposals which were expected to yield an additional revenue of about 150 million pesos. These included taxes on income, motor fuel and on wood processing for export. Since 1967 was an election year such proposals could probably not expect much consideration. Fiscal restraint may have been relaxed during the latter part of the year to finance public works and the rice subsidy.

The main problem of the economy is not only the failure of external capital to come in but, more seriously, the persistent flight of private capital. The adoption of a floating exchange rate has not altered this situation. The apparent success of the rice production programme may, however, sustain growth with better internal and external stability.

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*Thailand:* Notwithstanding the decline of the growth rate in 1967, and the further decline forecast for 1968, the short-run problem of Thai economic policy continues to be how to handle prosperity so as to satisfy high standards of stability. Assuming no great deterioration in the security of the country, the long-run problems are those of regional development and of the best balance between agricultural growth and industrialization, a choice complicated by very high rates of population growth.

Drought in 1967 reduced agricultural production by some 10 per cent below the level which had been reached in 1966 after an annual average increase of over 6 per cent since 1960. Rice output declined by 8 per cent and the maize harvest yielded about 20 per cent less. The weather and the growers' response to falling prices caused the production of jute and kenaf to fall by half.

Manufacturing — 13 per cent of gross domestic product in 1966 against the one-third contributed by agriculture—is expected to have grown well except for sugar refining. The average annual rate of growth between 1960 and 1966 was over 10 per cent.

Gross national product at constant prices rose by 7 per cent in the twelve months to September 1967, but probably by less in the calendar year. In the previous financial year it had increased by 8 per cent. In 1967/68 it is likely to grow by only 6 per cent in consequence of the poor rice crop, the decline in the markets for rubber and kenaf and the diversion of resources from productive employment to defence.

The growth that was achieved in 1967 presumably owed much to the rapid expansion of services rendered to the rapidly growing number of tourists and of United States military personnel stationed in the country (over 40,000 persons) or visiting it for rest and recreation. It also resulted from the construction of urban buildings and infrastructure, which was in part related to strategic requirements and supported by external assistance. Cement production could therefore be raised by 10 per cent in 1967. The immediate economic productivity of much of the construction of basic facilities in the depressed regions of the country is difficult to assess. When combined with other measures of economic development its economic yield, as distinct from the social and political consequences, may turn out to be considerable.

The growth of consumption, particularly in the towns, of service industries and of capital formation tend increasingly to strain resources. When combined with agricultural disappointment as they are currently, or with strong external demand for rice as they were in 1967, prices rise. Thus wholesale prices rose 14 per cent in 1966, and the Bangkok-Thonburi consumer price index by 4 per cent, with food going up by 6.5 per cent. Wholesale and consumer prices moved further upward during 1967. Towards the end of the year they appear to have steadied somewhat.

Internal balance was maintained by a cautious monetary policy, and by the development of public expenditure, which was slowed down, relative to public revenue which rose faster than expected and presumably did so largely on account of customs revenue. The increase in commodity production itself dampened price movements. In addition, imports, especially of consumer goods and materials for their production, increased sharply.

The maintenance of internal balance is in fact greatly facilitated by external payments surpluses. Much of the internal stimulus is brought in from outside by way of export demand, by the sale of domestic services against foreign exchange and the direct external support of construction activities. While Thailand remains an open economy — tariff protection has only recently become more extensive — internal imbalance must be contained if the external accounts and assets are to be protected. This point gains weight, at least for the time being, because of the present trends in Thailand's external transactions.

Thailand still depends markedly on exports. They form about 21 per cent of gross domestic product and consist of a diversity of agricultural and mining products with a growing admixture of processed commodities. While the dependence of total activity upon exports appears to have declined marginally since the beginning of the decade, that of agriculture has risen: 70 per cent of the increase in its output was exported. The growing population, however, competes for the food components of exports, and other staples — jute, kenaf and rubber — have uncertain prospects. The trade balance has recently deteriorated, and it has in fact been in deficit throughout this decade. The balance of payments surplus on current account is the product of trade in invisibles. The strong growth in these items, and especially in the incomes related to the Viet-Nam war and to the presence of foreign troops in the country,[35] is not a predictable income. At the moment, foreign exchange does not seem to constrain growth in any sense. If in the future capital formation and development expenditure has to be undertaken more independently than seems necessary at present, and if social considerations continue to argue for a fair degree of liberal trading, then a preservation of external resources seems desirable. It is nevertheless arguable that the reduction of the target growth rate for 1968 while external assets stand at around one billion US dollars under-estimates the absorptive capacity of the economy.

## Appendix: MALAYSIA AND SINGAPORE—THE CURRENCY SPLIT, 1967

When the central bank of Malaya was established in 1957 its statute provided for the function of currency issue. It was, however, considered desirable to continue the Currency Board system[36] until the members could reach agreement on a system which would, if possible, retain the advantages of a common currency while permitting the central bank to exercise a full range of monetary policy functions. The discussions of this matter, initiated in 1961 and suspended pending the formation of the Federation of Malaysia in 1963, were resumed in November 1965, after the separation of Singapore from Malaysia in August of that year. Brunei had indicated its desire to leave the currency agreement and Sabah and Sarawak had become constituent parts of Malaysia. Discussions were, therefore, re-opened between Singapore and Malaysia. Singapore expressed a clear preference for the maintenance of the sterling-exchange system. As this was not acceptable to Malaysia, Singapore proposed instead a joint central bank in which each government would retain veto power in crucial areas of monetary policy. Superficially the crucial issue in the discussions and the problem on which negotiations ultimately broke down concerned Singapore's requirement that she should retain title and immediate access to and sole control of her share of the external reserves. More fundamental to the failure to reach agreement was the implicit recognition of differences in policy needs which might make any common currency system unworkable.

The expressed intention of the Malaysian Government was to replace the automatic mechanism with one that could facilitate an active monetary policy, that would allow compensatory action in the event of external payments fluctuations and contribute to the financing of economic development. The anticipation of increased financial requirements for economic development and the recent experience of deteriorating export markets dictated some urgency for Malaysia. Singapore had also mounted on effort to re-structure its economy from entrepot trade to manufacturing for export, but its dependence upon external sources of inputs and of demand would inevitably remain far greater than in Malaysia. Thus even a mildly inflationary monetary policy would be self-defeating and exchange-rate stability appeared to be a *sine qua non*. Given these basically different and potentially incompatible developmental needs, it is doubtful whether the retention of a common currency would have been a more satisfactory solution than the split which occurred on 12 June 1967. In the event, Singapore established its own Currency Board, similar in all essentials to its predecessor. By virtue of the agreement to maintain convertibility at par with Singapore and Brunei and by the decision to maintain minimum external assets in the same proportion to currency in circulation as existed in June, Malaysia accepted, at least for the time being, some limits to the free use of monetary policy.[37]

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[35] The net income under the balance of payments heading of *Government n.i.e.* increased by 30 per cent to about $100 million between the first and second halves of 1966 and rose another 12 per cent in the first half of 1967.

[36] The Currency Board arrangement which had functioned since 1906 included North Borneo (now Sabah), Sarawak and Brunei as well as Malaya and Singapore. Essentially a sterling-exchange system with full convertibility and 100 per cent reserves, its automatic mechanism was tied to the balance of payments. Particularly after amendment in 1960, however, the system permitted considerable scope for monetary policy. A recent study finds that more than half the increase in the total money supply in the Currency Board area from 1959 to 1966 resulted from the expansion of bank deposits. See G. W. Betz, "A Note on the Money Supply in Singapore, 1957-1966", *Malayan Economic Review*, XII: 2 (October 1967). *Cf.* also W. M. Corden, "The Malayan Balance of Payments Problem," in T. H. Silcock and E. K. Fisk, editors, *The Political Economy of Independent Malaya* (Canberra, 1963).

[37] A brief factual chronology of the currency negotiations is found in the Bank Negara Malaysia *Annual Report*, 1966, pp. 3-6. The major documents have been published in the Singapore *White Paper on Currency* (Cmd. 20 of 1966). The new Singapore and Malaysian dollars are defined in terms of gold rather than of sterling, the base for their predecessor, the Currency Board dollar.

## Chapter II

# PRODUCTION: AGRICULTURE

*Regional trends*

Two successive shortfalls in the foodgrain production[1] of several developing ECAFE countries in the calendar years 1965 and 1966 severely depleted the stocks in 1967. But for large and timely imports, financed in part by aid, parts of India and of other countries would have come very close to famine. The decline in rice output was especially serious, the more so because the food consumption of a significant part of the regional population was already below the conventionally defined minimum. In several countries, the shortage of foodgrains caused domestic prices to rise. The imports of foodgrains to ease domestic shortages put heavy pressures on the balances of payments. The production of major export crops[2] fared well on the whole, but the decline in external demand contributed to the fall in the prices of most primary exports. Foreign exchange earnings and the rates of growth suffered in consequence.

Aside from weather as the fundamental determinant in over-all output, the common underlying problem in foodgrain production was low productivity of resources; under the impact of shortages, most developing countries therefore sought to intensify policies to raise production per unit of land. Measures taken aim at the improvement of tools, equipment and infrastructure; the propagation of new seed varieties, an increased and more systematic application of fertilizers and the implementation of land reform. The recent report of increased foodgrain production in 1967 in some rice-deficit countries means greater availability from domestic sources in 1968. But large amounts of foodgrain have still to be imported for the current consumption of a growing population and to replenish stocks. Apart from the favourable weather, agricultural progress along the lines mentioned must have contributed to the good harvest of 1967. If the claims made for the 'miracle' seeds are true, the growth of foodgrain output may finally outpace the growth of population[3] and the shadow of hunger which hovers over the region may perhaps soon disappear. But failing such technological rescue, the situation while improved will remain precarious.

(1) *Foodgrains*

In 1967, paddy production in the developing ECAFE countries as a whole increased significantly. With the arrival of good though belated monsoon rains in India, the paddy harvest was reported at about 55 million tons compared to 45.6 million tons in 1966; this bumper crop, however, was still below the peak harvest of 58.6 million tons in 1964. Notable increases were also recorded in Cambodia, China (Taiwan), and the Philippines which together should have more than offset any possible decline in rice production in Thailand and the Republic of Viet-Nam.

Wheat production in the region also appears to have increased in 1967 owing to favourable weather conditions and the adoption in certain places of new Mexican seed varieties. Since India produced about half and Pakistan about a fifth of the total wheat output, the increases in production in these two countries raised the regional output above the previous year's level. India produced 11.5 million tons of wheat, an increase of 11 per cent over the preceding year, while Pakistan achieved a similar increase in output during the year. Among the smaller producers, Burma and Nepal also increased their wheat output by 13 and 8 per cent respectively. The aggregate increase in wheat production partially reduced food shortages in the region although there will still have had to be a large import of wheat, particularly into India and Pakistan where it would be mainly financed under US PL480.

Production of maize, which is becoming a major export crop in the developing ECAFE region, was reported to have decreased, particularly in the Philippines and Thailand. In 1966, Thailand exported to Japan and others $73.6 million worth of maize, which represented about 10 per cent of the value of its total exports. The indications are that the production in the region of foodgrains such as rye, barley and sorghum, has increased.

*Trade*

In 1964, the ECAFE region as a whole changed from being a net exporter to being a net importer of rice.[4] Of the 3.55 million tons imported in 1966 by the developing ECAFE countries, about 22 per cent went to India and 20 per cent to Ceylon (table

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[1] In terms of tonnage of the total foodgrain output for the developing ECAFE region, about 68 per cent was rice, 12 per cent wheat and the rest was rye, barley, maize, millet, sorghum and others.

[2] Apart from rice, export crops referred to included natural rubber, tea, copra, and coconut oil, sugar, jute and allied fibres and raw cotton.

[3] For trends in *per caput* food production during 1956-1965 in selected developing ECAFE countries, see FAO, *State of Food and Agriculture*, 1967, p. 15.

[4] Table II-2-11, 1966 *Survey*, p. 207.

### Table II-2. Developing ECAFE countries: production of major foodgrains, 1964-1967

*(in thousand metric tons)*

| Country | | Rice (paddy) | Wheat | Maize | Total[a] |
|---|---|---|---|---|---|
| Afghanistan | 1964 | 380 | 2,250 | 720 | 3,730 |
| | 1965 | 380 | 2,282 | 720 | 3,762 |
| | 1966 | 335 | 2,230 | 720 | 3,665 |
| Burma | 1964 | 8.508 | 54 | 54 | 8,665 |
| | 1965 | 8.055 | 72 | 48 | 8.211 |
| | 1966 | 6.636 | 97 | 62 | 6.840 |
| | 1967 | | 110 | | |
| Cambodia | 1964 | 2,760 | — | 204 | 2,964 |
| | 1965 | 2.500 | — | 139 | 2,639 |
| | 1966 | 2.376 | — | 136 | 2.512 |
| | 1967 | 2,457 | — | 150 | 2,607 |
| Ceylon | 1964 | 1,054 | — | 9 | 1.084 |
| | 1965 | 757 | — | 10 | 786 |
| | 1966 | 966 | — | 10 | 996 |
| China (Taiwan) | 1964 | 2,794 | 20 | 42 | 2.865 |
| | 1965 | 2,920 | 23 | 41 | 2,998 |
| | 1966 | 2,960 | 29 | 52 | 3.056 |
| | 1967 | 3,029 | 24 | 64 | 3,132 |
| India | 1964 | 58.551 | 9,861 | 4,658 | 93,160 |
| | 1965 | 45.983 | 12.290 | 4,760 | 79,570 |
| | 1966 | 45,660 | 10,424 | 4,991 | 80,170 |
| | 1967 | | 11,528 | | |
| Indonesia | 1964 | 12,628 | — | 3,769 | 16,397 |
| | 1965 | 13,245 | — | 2,283 | 15,528 |
| | 1966 | 14,103 | — | 2,874 | 16,977 |
| Iran | 1964 | 800 | 2,600 | 14 | 4,342 |
| | 1965 | 845 | 3,000 | 14 | 4.887 |
| | 1966 | 875 | 3.190 | 15 | 5,108 |
| Korea, Rep. of | 1964 | 5,344 | 155 | 35 | 6,568 |
| | 1965 | 4,731 | 162 | 40 | 6,166 |
| | 1966 | 5,296 | 160 | 34 | 6.699 |
| Laos | 1964 | 735 | — | 19 | 754 |
| | 1965 | 740 | — | 23 | 763 |
| | 1966 | 623 | — | 20 | 643 |
| Malaysia | 1964 | 924 | — | 10 | 934 |
| | 1965 | 1,090 | — | 9 | 1.099 |
| | 1966 | 1.106 | — | 9 | 1.115 |
| Nepal | 1964 | 2,201 | 138 | 854 | 3,258 |
| | 1965 | 2,207 | 152 | 856 | 3,335 |
| | 1966 | 2,007 | 147 | 824 | 3.098 |
| | 1967 | | 159 | | |
| Pakistan | 1964 | 17,780 | 4,196 | 531 | 23,370 |
| | 1965 | 17,726 | 4,625 | 543 | 23.668 |
| | 1966 | 15,113 | 3,971 | 590 | 20,418 |
| | 1967 | | 4,393 | | |
| Philippines | 1964 | 3,992 | — | 1,313 | 5,305 |
| | 1965 | 4.073 | — | 1,380 | 5,453 |
| | 1966 | 4.165 | — | 1,435 | 5,600 |
| | 1967 | 4.387 | — | | |
| Thailand | 1964 | 9,500 | — | 935 | 10,435 |
| | 1965 | 9.218 | — | 1,021 | 10.239 |
| | 1966 | 11,846 | — | 1,030 | 12,876 |
| Viet-Nam, Rep. of | 1964 | 5,185 | — | 46 | 5,231 |
| | 1965 | 4,822 | — | 44 | 4,866 |
| | 1966 | 4,336 | — | 35 | 4,371 |

*Source:* FAO and national sources.

[a] Including also rye, millet, sorghum and barley.

II-3).[5] Other large importers of rice were Hong Kong (partly for re-export), Indonesia, Malaysia, the Philippines and the Republic of Viet-Nam. The main exporting countries were Burma and Thailand, China (Taiwan), Cambodia and the Republic of Korea. Pakistan also exported a certain amount of fine rice in exchange for the coarser variety.

The increased export availability in some rice-surplus countries during the first three quarters of 1967 was apparently due not so much to a rise in production as to the high price in the international market. Rice imports into India and Ceylon in 1967, on the other hand, were less than in the previous year.[6] The imports into Hong Kong and Indonesia increased, and the Republic of Korea and Pakistan changed during the year from surplus to deficit countries. Regional self-sufficiency is, of course, no answer to the balance of payments problems of individual deficit countries, except in so far as it would improve the prospects of intra-regional trade, especially in the newer industrial products.

In 1966, wheat imports of the developing ECAFE countries amounted to about 9.8 million tons, of which 80 per cent went to India, 10 per cent to Pakistan, 6 per cent to the Republic of Korea, and 3 per cent to China (Taiwan) (table II-4). Wheat imports, mainly financed through the United States PL480, provided a supplementary food and noted as a temporary substitute for rice. Tastes in the wheat-importing countries however were changing towards wheat flour. Climate and soil in most of these countries are not favourable to wheat production, however, so that any tendency for increasing consumption of wheat and wheat flour is bound to burden the balance of payments.

### *Levels of nutrition*

Total foodgrain production in the developing ECAFE region was not only inadequate to meet minimum food requirements but in 1960-1966 the average yearly growth in foodgrain output of 1.1 per cent lagged behind the normal annual growth of population of 2.5 per cent.[7] A comparison of the calorie and protein levels of national food supplies and average *per capita* calorie requirements in selected countries shows that Ceylon, India and the Philippines have slightly improved as compared with the pre-war level or the previous years, but that the levels were generally still below estimated *per capita* requirements. It was only in China (Taiwan) from 1960 to 1966 and in Pakistan in 1964/65 that the calorie intake exceeded the requirements. In Afghanistan, Indonesia and Iran, the 1960/61-1962/63 average shows that calorie levels remained low. If the quality of the diet is gauged by protein content, the diets in the developing ECAFE countries were poor, especially if account is taken of the amount of protein derived from food of animal origin.[8]

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[5] India produced about 40 per cent of the total output of the developing ECAFE region.

[6] Annual imports computed on the basis of partial imports during the year. See footnote to table II-3.

[7] The average of 1.1 per cent is based on the regression line of the FAO estimates of foodgrain outputs for the developing ECAFE countries during the period 1960-1966.

[8] FAO, *The State of Food and Agriculture,* 1967, tables 8A, 8B and 8C.

### *Yields*

The fundamental solution to the problem of food supply is an increase in productivity; and since increases in acreage take time, it is also the main short-term solution. In rice yields per hectare, the developing countries of the region as a whole were far behind Australia or Japan. The yield of paddy land in China (Taiwan) and the Republic of Korea was not much below that in Japan, but the yield in Cambodia, Burma, the Philippines and other countries was far from satisfactory. A comparison of the average product in 1962 and 1966 in the developing ECAFE countries shows significant improvements in China (Taiwan), the Republic of Korea, and Thailand. In seven of the sixteen countries listed in table II-5, the average product was stagnant or declined in 1966; and the table shows that this occurred on the whole where the average product was relatively low to begin with.

Table II-3. Developing ECAFE countries: rice (milled) balance, 1966-1967

*(in thousand metric tons)*

| | *1966* | | | *1967* | | |
|---|---|---|---|---|---|---|
| | *Production* | *Net import* | *Availability* | *Production* | *Net import* | *Availability* |
| Afghanistan | 217.8 | | | | | |
| Brunei | 1.9 | 8.9 | 10.8 | | | |
| Burma | 5,506.0 | –1,099.4 | 4,406.6 | | –391.9[a] | |
| Cambodia | 1,520.6 | –164.7 | 1,355.9 | 1,572.5 | –243.1[a] | *1,329.4* |
| Ceylon | 656.9 | 693.1 | 1,350.0 | | *408.7*[b] | |
| China (Taiwan) | 2,012.8 | –175.7 | 1,837.1 | 2,059.7 | | |
| Hong Kong | 11.6 | 338.5 | 350.1 | | *447.8*[c] | |
| India | 30,455.2 | 782.8 | 31,238.0 | | *451.1*[d] | |
| Indonesia | 8,884.9 | 302.9 | 9,187.8 | | *362.6*[e] | |
| Iran | 577.5 | *33.9*[c] | *611.4* | | | |
| Korea, Rep. of | 3,760.2 | –22.2 | 3,738.0 | | *47.2*[a] | |
| Laos | 373.8 | | | | | |
| Malaysia | | | | | | |
| East: Sabah | 45.4 | 32.2 | 77.6 | | | |
| Sarawak | 75.6 | 60.8 | 136.4 | | 74.4[e] | |
| West | 575.8 | 210.9 | 786.7 | | | |
| Nepal | 1,338.7 | | | | | |
| Pakistan[f] | 10,125.7 | –74.1 | 10,051.6 | | *18.4*[a] | |
| Philippines | 2,748.9 | *105.0* | 2,853.9 | 2,895.4 | | |
| Thailand | 7,818.4 | –1,507.6 | 6,310.8 | | *–1,441.9* | |
| Viet-Nam, Rep. of | 2,818.4 | 492.8 | 3,311.2 | | | |

*Source:* FAO, national publications and *Rice Bulletin*, Commonwealth Secretariat, January 1968.

[a] Annual rate based on 10 months.
[b] Annual rate based on 9 months.
[c] Annual rate based on 8 months.
[d] Annual rate based on 11 months.
[e] Annual rate based on 7 months.
[f] In recent years, Pakistan has been exporting high-quality Basmati rice and importing low-quality rice mainly from Burma and mainland China.

Table II-4. Developing ECAFE countries: balance of wheat and wheat flour, 1966-1967

*(in thousand metric tons)*

| | *1966* | | | *1967* | | |
|---|---|---|---|---|---|---|
| | *Production* | *Net Import* | *Availability* | *Production* | *Net Import* | *Availability* |
| Afghanistan | 2,230 | ... | ... | ... | ... | ... |
| Burma | 97 | ... | ... | 110 | ... | ... |
| Ceylon | ... | 191.3 | ... | ... | 508.8[a] | ... |
| China (Taiwan) | 29 | 272.8 | 301.8 | 24 | ... | ... |
| India | 10,424 | 7,779.1 | 18,203.1 | 11,528 | *7,940.9*[b] | *19,468.9* |
| Iran | 3,190 | ... | ... | ... | ... | ... |
| Korea, Rep. of | 160 | 531.2 | 691.2 | ... | 568.8[a] | ... |
| Nepal | 147 | ... | ... | 159 | ... | ... |
| Pakistan | 3,971 | *924.1* | *4,895.1* | 4,393 | *2,327.8* | 6,720.8[b] |
| Viet-Nam, Rep. of | — | 46.0 | 46.0 | ... | ... | ... |

*Source:* FAO, *Grain Bulletin* and national publications.

[a] Annual rate based on 9 months.
[b] Annual rate based on 7 months.

*Note: Pakistan:* data for value only; quantity estimated on basis of unit value for India.

Table II-5. Developing ECAFE countries: yield of paddy per hectare, 1962 and 1966

| *Country* | *Yield in tons per hectare* | | *Change in average yield (tons per hectare)* |
|---|---|---|---|
| | *1962* | *1966* | |
| Korea, Rep. of | 3.58 | 4.26 | + .68 |
| China (Taiwan) | 3.31 | 3.75 | + .44 |
| Iran | 2.11 | 2.33 | + .22 |
| Viet-Nam, Rep. of | 2.10 | 1.89 | — .21 |
| Malaysia | 2.05 | 2.26 | + .21 |
| Ceylon | 1.96 | 2.00 | + .04 |
| Nepal | 1.93 | 1.95 | + .02 |
| Indonesia | 1.83 | 1.84 | + .01 |
| Burma | 1.65 | 1.65 | — |
| Afghanistan | 1.52 | 1.52 | — |
| Pakistan | 1.51 | 1.46 | — .05 |
| Thailand | 1.50 | 1.72 | + .22 |
| India | 1.37 | 1.28 | — .09 |
| Philippines | 1.25 | 1.35 | + .10 |
| Cambodia | 0.89 | 1.09 | + .20 |
| Laos | 0.86 | 0.68 | — .18 |

*Source:* FAO.

It seems that rice yield in general has not exceeded 2.5 tons per hectare, except in China (Taiwan) and the Republic of Korea. As against this, rice farms in the temperate climates of Japan and Australia average from 5 to 7 tons per hectare. The fact that China (Taiwan) could produce 3.75 tons of rice per hectare shows what can be done in tropical countries with an improved technology and with the adoption of appropriate administrative and institutional reforms.

A comparative study of material inputs in relation to productivity in the developing ECAFE countries shows that in 1965 the Republic of Korea and China (Taiwan) accounted for the highest use of irrigation and fertilizer per unit of land.[9] The Republic of Korea and China (Taiwan) used about 167 and 256 kilogrammes of fertilizer per hectare respectively compared to 5.0, 2.9 and 17.4 kilogrammes per hectare in India, Thailand and the Philippines respectively (table II-6). As regards irrigation of arable land, China (Taiwan) led with 58.9 per cent followed by the Republic of Korea with 57.0 per cent; in contrast, India had 16.1 per cent, Thailand 18.3 per cent, and the Philippines 12.1 per cent of arable land under irrigation. Apart from other considerations, these two material inputs appear to have accounted for the relatively high yields of land under rice in both China (Taiwan) and the Republic of Korea.

Table II-6. Selected developing ECAFE countries: cereal yield per hectare, area under irrigation and fertilizer input, 1965

| *Country* | *Yield per hectare (100 kg)* | *Irrigated area as share of arable land (%)* | *Chemical fertilizer input (kg per ha)* |
|---|---|---|---|
| China (Taiwan) | 37 | 58.9 | 255.8 |
| Malaysia: West | 27 | 10.2 | 24.6 |
| Korea, Rep. of | 23 | 57.0 | 166.8 |
| Viet-Nam, Rep. of | 20 | 20.9 | 34.6 |
| Nepal | 19 | 58.5[1] | 0.5 |
| Ceylon | 17 | 18.2 | 41.5 |
| Burma | 16 | 4.8 | 0.4 |
| Indonesia | 16 | 31.3 | 8.5 |
| Thailand | 16 | 18.3 | 2.9 |
| Pakistan | 13 | 41.4 | 5.6 |
| Cambodia | 11 | 3.4 | 0.5 |
| Philippines | 10 | 12.1 | 17.4 |
| India | 9 | 16.1 | 5.0 |
| Iran | 9 | 40.1 | 4.0 |
| Developing ECAFE countries | 11 | 20.8 | 8.1 |

*Source:* FAO *Production Yearbook*, 1966, and *Monthly Bulletin of Agricultural Economics and Statistics* (March 1967).

[1] According to reports from national sources, 113,000 hectares were irrigated, which represented only 5 per cent of total cultivated land.

The yield of wheat land in the developing countries was likewise low when compared with Australia, Japan and New Zealand. From 1962 to 1966 it appears on the whole that yields hardly increased. They appear to have declined in India, the Republic of Korea and Pakistan (table II-7).

To increase the production of foodgrain per unit of land and reduce the dependence on the weather has become a principal objective in most countries. To this end, they have implemented land reforms, done research on improved seed varieties, increased their output of manufactured fertilizers, and expanded their irrigation systems.

Land reform programmes were under way in Burma, Ceylon, India, the Republic of Korea, Nepal, Pakistan and the Philippines; in China (Taiwan), the programme which was started in 1949 was practically completed by 1963. The fundamental objective of the programme was to redistribute the land to the tiller so that, having greater profit motivation, the tiller would increase the output in a given farm lot. The land reform programmes did not everywhere make satisfactory progress. The Philippines and the Republic of Korea are cases in point.

In most development plans, a large portion of the public outlay for economic development was allocated to the development of irrigation systems.

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[9] For a study on material inputs in relation to yields in 1961/62 — 1962/63, see table 16 in the United Nations *Economic Bulletin for Asia and the Far East*, Vol. XVI, No. 1, June 1965, p. 22. Compare this with table 5 and note the changes in average product.

The irrigation systems included the gravity type, which is sometimes associated with the development of power, water supply and flood control, and the pump type with water drawn from rivers or from underground. The increase in irrigated area was greatest in China (Taiwan), the Republic of Korea, the Philippines and Thailand.

Similarly, the plan targets for the manufacture of fertilizer were increased in order to provide greater inputs, particularly for foodgrain production. In the developing ECAFE countries, the problem is often not only the small quantity of fertilizer used but also the choice of fertilizer type. Almost all rice-producing countries, notably China (Taiwan) and the Philippines, conducted research into the response of rice to various types of fertilizer.

Table II-7. Developing ECAFE countries: yield of wheat per hectare, 1962 and 1966

| Country | Yield in tons per hectare | | Change in average yield (tons per hectare) |
|---|---|---|---|
| | 1962 | 1966 | |
| China (Taiwan) . . | 2.10 | 2.07 | —0.03 |
| Korea, Rep. of . . . | 1.50 | 1.07 | —0.43 |
| Nepal . . . . . . . | 1.00 | 1.25 | +0.25 |
| Afghanistan . . . . | 0.97 | 0.95 | —0.02 |
| India . . . . . . . | 0.89 | 0.82 | —0.07 |
| Pakistan . . . . . . | 0.82 | 0.75 | —0.07 |
| Iran . . . . . . . | 0.68 | 0.76 | +0.08 |
| Burma . . . . . . | 0.58 | 0.64 | +0.06 |

*Source:* FAO.

New developments in rice-plant breeding in the last few years, seem to promise a transformation of the food situation. Experimental yields have been doubled, trebled or quadrupled by using the new strains of rice. New seed varieties grown in Ceylon, India, Indonesia, Malaysia, Pakistan, the Philippines and Thailand have produced exciting results: in India the yield of dry season crops has been reported to have increased from around 1.5 tons to about 10 tons per hectare; in East Pakistan and Malaysia the yield has been raised to about 6 tons per hectare, and in the Philippines the same seeds produced more than 9 tons per hectare. Even experimental wet season crops in Thailand have been increased to six tons per hectare which was more than double the productivity of the traditional variety.

### (2) *Export crops*

Continued adverse trends in 1967 had profound effects on the capacity of some of the countries to speed up economic growth by the use of their own resources (table II-8).

*Rubber* production and exports in 1967 appear to have increased slightly and marginally. Prices of natural rubber, however, continued to drop, resulting in an average loss of three cents (US) a pound during the first nine months; this was caused by a fall in demand for raw rubber in western Europe, the United States, Canada and the USSR. The decline in prices is estimated to have reduced the foreign exchange earnings of the four major rubber-producing countries (Malaysia, Indonesia, Ceylon and Thailand) by about $140 million, half of this loss falling on Malaysia alone. The rise, during the first half of 1967, in the stocks in both producing and consuming countries may indicate a tendency for a decline in future demand. The decision of the United States in June to reduce its rubber stockpile disposal programme from 120,000 tons to 70,000 tons annually, as a gesture of support for the developing ECAFE countries, somewhat arrested the sharp decline in rubber prices during the latter part of the year. (Actual releases were 155,000 tons in 1966 and 95,000 tons in 1967.)

*Tea* production in 1966 declined a little in Ceylon but it increased slightly in India. Increased production of East African tea offered a challenge to Indian and Ceylonese tea and world production appeared to be outpacing demand. Tea exports of both India and Ceylon increased in the first quarter of 1967 but declined in the second quarter if compared with the corresponding quarters of 1966. The price continued to decline until June and, although it recovered during the latter half of the year, the loss in foreign exchange earnings was substantial. Stocks rose in India and Ceylon during the third quarter, indicating a decline in the external demand for tea.

*Copra* output in the region was reported to have fallen significantly in 1967. Production in the Philippines, the largest producer in the region, declined due to typhoons. Production was also reported to have declined in Ceylon, Indonesia and Malaysia. Similarly, output of *sugar*[10] (centrifugal of raw value) in 1967 decreased by some 22 per cent. Except in the Philippines, the large decline in production occurred in China (Taiwan), India and Indonesia. In India, part of the cane sugar output was diverted to the manufacture of gur and khandsari for which the market prices moved above the controlled price for centrifugal sugar.

Production of *jute and allied fibres* increased slightly in 1967. The significant increases in production occurred in India and Pakistan, while Thailand's output declined sharply. *Raw cotton* production in

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[10] Sugar was produced from cane except in Afghanistan and Iran where sugar was produced from beets. It does not include production of non-centrifugal cane sugar which constituted about 25 per cent of total outputs.

### Table II-8. Developing ECAFE region: production, exports and prices of export crops, 1965-1967

| *Export crops* | | *Unit* | *1965* | *1966* | *1967* |
|---|---|---|---|---|---|
| *Natural rubber* . . . . . . | Production | 1,000 m. tons | 2,175 | 2,221 | 1,287 (Jan-July) |
| | Exports (net) | 1,000 m. tons | 2,110 | 2,164 | 1,384 (Jan-July) |
| | Price [a] | Pence per lb. | 20.8 | 19.5 | 16.6 (Jan-Oct) |
| *Tea* . . . . . . . . . . . | Production | 1,000 m. tons | 711 | 714 | 719 |
| | Exports | 1,000 m. tons | 488 | 437 | . . . |
| | Price [b] | Pence per lb. | 52.3 | 52.1 | 51.0 (Jan-Oct) |
| *Rice* (paddy) . . . . . . . | Production | 1,000 m. tons | 119,316 | 8,423 | . . . |
| (milled) | Exports | 1,000 m. tons | 4,136 | 3,202 | . . . |
| | Price [c] | £ per long ton | 47.5 | 56.9 | 78.9 (Jan-Oct) |
| *Copra* . . . . . . . . . . | Production | 1,000 m. tons | 2,693 | 2,876 | . . . |
| | Exports [d] | 1,000 m. tons | 1,038 | 1,175 | . . . |
| | Price [e] | £ per long ton | 82.1 | 67.2 | 69.7 (Jan-Oct) |
| *Sugar:* Philippines . . . . . | Production | 1,000 m. tons | 1,659 | 1,443 | . . . |
| (raw value) | Exports | 1,000 m. tons | 1,100 | 1,086 | . . . |
| | Price [f] | US$ per 100 lb. | 5.4 | 5.9 | 6.4 (Jan-Aug) |
| China (Taiwan) . . | Production | 1,000 m. tons | 994 | 954 | 587 (Jan-April) |
| | Exports | 1,000 m. tons | 811 | 852 | 289 (Jan-April) |
| | Price [g] | US$ per m. ton | 74.4 | 64.1 | 68.7 (Jan-Aug) |
| *Jute and allied fibres* . . . . | Production | 1,000 m. tons | 2,736 | 2,942 | 3,036 |
| | Exports | 1,000 m. tons | 1,044 | 1,238 | . . |
| | Price [h] | £ per long ton | 130 | 145 | 153 (Jan-May) |
| *Cotton* (raw) . . . . . . . | Production (crop year) | 1,000 m. tons | 1,637 | 1,595 | 1,639 |
| | Exports (crop year) | 1,000 m. tons | 250 | 266 | 248 |
| | Price [i] | US cent per lb. | 29.2 | 27.4 | 25.4 (Jan-Sep) |

*Sources:* International Rubber Study Group, *Rubber Statistical Bulletin;* International Tea Committee, *Annual Bulletin of Statistics* 1966; International Cotton Advisory Committee, *Cotton—World Statistics;* International Sugar Council, *Statistical Bulletin;* FAO and national publications.

[a] UK domestic/import price cif No. RSS. United Nations, *Monthly Bulletin of Statistics.*

[b] UK import price at London auctions, Northern Indian Tea, *ibid.*

[c] Export price fob Bangkok, white rice, 5 per cent broken, *ibid.*

[d] Coconut oil and copra in terms of oil.

[e] UK and Continental Europe copra; import price, cif European ports, in bulk, Philippines, United Nations, *Monthly Bulletin of Statistics.*

[f] Philippines export price, 96 Centrifugal in Manila. IMF, *International Financial Statistics.*

[g] China (Taiwan) average export price of all kinds of sugar, fob Taiwan ports. Directorate-General of Budgets, Accounts and Statistics, Government of the Republic of China.

[h] UK domestic/import price cif Dundee, Pakistan, mill lightnings. United Nations, *Monthly Bulletin of Statistics.*

[i] UK domestic/import price cif Liverpool spot, Pakistani 289F, Punjab SG. United Nations, *Monthly Bulletin of Statistics.*

1967 was also reported to have increased; the largest increase in output was made in Pakistan, while production in Iran declined. In spite of the over-all increase, however, the developing ECAFE countries had to import large amounts of raw cotton for their mills.

In sum, while increased acreage, better seed varieties and other technological improvements were needed to increase productivity and output of export crops in the developing ECAFE countries, the underlying difficulties met in 1967 were the decline in external demand and the drop in prices of most of the primary exports. The problem of how to increase or stabilize export earnings in the face of these difficulties is discussed in Part One of this *Survey*.

### *Country developments*

*Burma*, the second largest rice exporter in the region, had in 1966 its lowest rice crop since 1960—6.6 million tons; this represented a decline of almost 18 per cent from about 8 million tons of output in the previous year. The sharp drop in rice output during the year was apparently due to unfavourable weather, but also, it seems, to price policy. Irregular and unpredictable weather conditions resulted in drought in some areas and severe floods in others and, as a consequence, about 15 per cent of the total sown acreage was totally or partially destroyed. Moreover, the Government's policy since 1964 has been to buy all rice produced both for domestic consumption and export. The Government's buying price does not seem to have provided sufficient incentive for increased production.

Table II-9. Developing ECAFE countries: production of export crops, 1965-1967
*(in thousand metric tons)*

| *Country* | | *Natural rubber* | *Tea* | *Copra* | *Centrifugal sugar (raw value)*[a] | *Jute and allied fibres* | *Cotton*[b] |
|---|---|---|---|---|---|---|---|
| Burma . . . . . . | 1965 | 8[c] | ... | .. | 66 | 16 | 20 |
| | 1966 | 7[c] | ... | ... | 70 | 16 | 18 |
| | 1967 | 6[c] | ... | .. | 75 | ... | 20 |
| Cambodia . . . . . | 1965 | 49 | ... | 6 | ... | ... | 2 |
| | 1966 | 51 | ... | 6 | ... | ... | 2 |
| | 1967 | 47[d] | ... | ... | ... | .. | .. |
| Ceylon . . . . . . | 1965 | 118 | 228 | 266 | 6 | .. | .. |
| | 1966 | 131 | 222 | 230 | 7 | ... | ... |
| | 1967 | 143 | 221 | ... | 10 | ... | ... |
| China (Taiwan) . . | 1965 | ... | 21 | ... | 1,025 | 17 | ... |
| | 1966 | ... | 22 | .. | 1,006 | 11 | ... |
| | 1967 | ... | 23 | ... | 770 | ... | ... |
| India . . . . . . . | 1965 | 49 | 366 | 266 | 3,545 | 1,044 | 1,067 |
| | 1966 | 53 | 375 | 270 | 3,845 | 1,191 | 997 |
| | 1967 | 54[d] | 380 | ... | 2.348 | 1.361 | 997 |
| Indonesia . . . . . | 1965 | 717 | 45 | 483 | 641 | ... | ... |
| | 1966 | 716 | 43 | 528 | 778 | .. | ... |
| | 1967 | 762 | ... | ... | 605 | ... | ... |
| Iran . . . . . . . | 1965 | ... | 15 | ... | 167 | ... | 121 |
| | 1966 | ... | 15 | .. | 202 | ... | 140 |
| | 1967 | ... | ... | ... | 258 | ... | 113 |
| Malaysia: West . . | 1965 | 886 | 3 | 126 | ... | .. | ... |
| | 1966 | 942 | 3 | 130 | ... | ... | ... |
| | 1967 | 959 | ... | ... | ... | ... | ... |
| Pakistan . . . . . | 1965 | ... | 27 | ... | 254 | 1,155 | 381 |
| | 1966 | ... | 29 | ... | 511 | 1,179 | 389 |
| | 1967 | ... | 30 | ... | 475 | 1,315 | 457 |
| Philippines . . . . | 1965 | .. | ... | 1,446 | 1,557 | ... | ... |
| | 1966 | ... | ... | 1,610 | 1,402 | .. | ... |
| | 1967 | ... | ... | ... | 1,566 | ... | ... |
| Thailand . . . . . | 1965 | 216 | ... | 21 | 320 | 537 | 16 |
| | 1966 | 207 | .. | 21 | 269 | 572 | 20 |
| | 1967 | 137[e] | ... | ... | 230 | 360 | 25 |
| Viet-Nam, Rep. of . | 1965 | 61 | 5 | 23 | 9 | ... | ... |
| | 1966 | 49 | 5 | 23 | ... | .. | .. |
| | 1967 | 38[d] | ... | ... | ... | .. | ... |

*Sources:* International Rubber Study Group, *Rubber Statistical Bulletin;* International Tea Committee, *Annual Bulletin of Statistics, Monthly Statistical Summary;* FAO advanced material for copra and sugar; *World Agricultural Production and Trade* for jute and allied fibres; International Cotton Advisory Committee, *Cotton — World Statistics.*

[a] Agricultural years, ending August of the year stated.

[b] Years ending September of the year stated. [c] Has been taken as equivalent to exports.

[d] 11 months. [e] 8 months.

In spite of the good rice crop of 8.1 million tons in 1967, the Government drastically curbed exports, especially during the second half of 1967. After the low export of 1.1 million tons in 1966, total rice exports in 1967 were reported to have fallen further to around 392,000 tons (10 months only). The loss in foreign exchange from rice, which normally earns 60 per cent of receipts, seriously reduced the country's capacity to import. In its turn, it hampered the implementation of other development projects.

The current development plan 1966/67-1969/70 gives high priority to the development of agriculture. The yield per acre and the area under cultivation are to be raised through farm mechanization, the use of fertilizers and selected seeds, irrigation, land reform and financial assistance to farmers.

With the adoption of the policy of nationalization in 1963, the Government undertook to provide credit to farmers, which was formerly done by the Chinese and Indian money lenders. Since revenue was low, the extensive loans granted to farmers put pressure on the public finances and contributed to the rise of effective demand ahead of output so that in the black market for controlled commodities prices were reported to be about six times as high as the official prices.

In 1967, owing to good weather, *Cambodia's* output of major crops recovered significantly from the low levels of 1966. Paddy production, at 2.46 million tons, rose by 3.4 per cent. Maize production at 150,000 tons and natural rubber production at 46,553 tons (Jan-Nov) rose by 10 and 4 per cent respectively. The improvement in paddy cultivation was modest as shown by the yield per hectare which rose by only 200 kilogrammes from 1962 to 1966 (table II-5). In spite of the decline in paddy production in some years, however, Cambodia remained an exporter of rice; there was a net export of 165,000 tons in 1966 and 243,000 tons during the first ten months of 1967: exports appear to have risen much more than output.

In 1967, *Ceylon's* tea production appears to have slightly fallen below that of the preceding year. However, the production for June should be far in excess of that in June 1966 which was affected by a labour strike on the tea estates. Rubber production, however, continued to increase, being about 9 per cent higher than in the previous year. It was expected that paddy production would increase by 16 per cent, but the production of coconut and coconut products was unsatisfactory.

The Government has given high priority to agricultural production. The change in the rice subsidy late in 1966 and the reduction in the imports of rice gave a further fillip to domestic producers. The free market price of rice increased sharply immediately after the change in the rice subsidy but the very large *Maha* paddy harvest in early 1967 helped to bring prices down again. Selective import controls on a variety of subsidiary food items have also helped to stimulate production in the country.

Bad weather and depressed export prices plagued the tea industry in 1967, which was its centenary year. Given a relatively small domestic market, increases in production are almost totally available for export. In pursuit of the policy of minimizing the impact of export price variations on producers, export taxes on low-grown teas were further adjusted, at a heavy financial cost to the state. Low prices and the bleak demand prospects for tea led to renewed negotiations with India for co-operation in export policy and production. No substantive progress has yet been achieved—partly because of the resistance of East African growers to a producers' agreement; however negotiation between India and Ceylon has been recently resumed.

Rubber output continued to increase as areas replanted with high-yielding clones came into production. The bulk of the output is exported to mainland China under a barter agreement which assures to Ceylon of a premium over the Singapore market price. Rice is given in exchange, at the price at which Burma assures supply to Ceylon. The processing capacity for rubber was reported to have fallen behind the increase in production and this appears to have stimulated the output of low-price grades of rubber. Much is expected of the recent moves towards a producer's agreement on rubber.

Coconut as an export continues to face a myriad of difficulties. Dominated by small holders, the coconut economy has been more resistant to the introduction of newer methods of production and subject to greater pressure from domestic demand than either tea or rubber. World prices for coconut products have tended to fluctuate widely while the industry faces increased competition from synthetic substitutes and alternative oil-seeds. Negotiations are afoot for a producers' agreement in this commodity as well.

Tea exports continue to form the backbone of Ceylon's export earnings. Apart from tea, rubber and coconut products Ceylon has no export commodities of any significance. In 1967, these three commodities suffered from depressed prices or reduced export volumes or both. Ceylon's export earnings disappointed earlier expectations and further strains on the economy are bound to result.

Producer agreements in these three staple commodities should be of great value to the established producers. On the domestic front, however, there remains much scope for Ceylon to encourage marginal producers to move into the production of alternative crops. The existing replanting schemes might be used to diversify output. Progress has, unfortunately, also been slow in taking advantage of the demand for instant tea which is increasing in the United States and in other markets. There is also good reason to review the heavy burden of taxation which the export industries of Ceylon continue to bear. The recent moves towards joint public and private action in the export marketing of these commodities will bear close watching.

The over-all growth rate of agricultural production in *China (Taiwan)* in the first half of 1967 was reported at 4.6 per cent (compared with the corresponding period of 1966). The paddy output for 1967 rose by about 2 per cent compared with the production in the corresponding period in the preceding year. Timber output fell but fishery output rose by 10 per cent. Exports of bananas, canned mushrooms and canned asparagus are all expanding and form an increasingly important addition to the traditional exports of sugar, canned pineapples and rice.

Following the successful land reform, attention has been directed mainly towards increasing the yield per unit of land by improving seed strains and by other cultivation techniques, and also by agricultural diversification. The success of these measures was shown by the increase in the yield of rice from 3.31 tons per hectare in 1962 to 3.75 tons per hectare in 1966; and there were also substantial increases in the yields of tea and bananas. The emergence of mushrooms and asparagus as important export crops indicates the possibilities of agricultural diversification.

After the land reform, the fragmentation of holdings through inheritance was seen as a serious problem. It is hoped, however, that the migration of young men from the rural areas to industry will reduce this tendency. Increasing industrial opportunity may also reduce the flow of people to farming so that the average size of farms may rise. The Government is engaged in a Land Consolidation Programme under which scattered lots are exchanged for a single piece of land. At the same time, advantage has been taken of this reapportionment and amalgamation to improve drainage and irrigation facilities and to enlarge the road system.

The farmers' associations were largely responsible for the growth of productivity. Most of the profits from the difference between interest paid on farmers' deposits and the rate for loans went towards financing agricultural extension services to the members of the associations. The extension workers spread information about new methods of crop rotation and cultivation and sought to popularize the use of farm machinery, insecticides, better types of fertilizers and artificial insemination. On the marketing side, the associations purchased rice from the farmers, partly in exchange for fertilizers, and they were responsible for forwarding such crops as mushrooms to the canneries. They supplied farmers with tools, feeds, seeds, pesticides and some daily necessities. The associations also operate a livestock insurance scheme.

New varieties of seed were developed and distributed to the farmers' associations and experiments in the proper use of fertilizers were conducted. This resulted in three or four crops a year from the same piece of land. With all this success, however, China (Taiwan) relied heavily on very few markets for agricultural export products; virtually all the banana crop, for example, went to Japan, and the Federal Republic of Germany was the biggest customer for tinned mushrooms and asparagus. Hence, efforts were being made to widen the range of tinned foods for export and to diversify export markets.

*India's* foodgrain harvest in 1967 was expected to be 95 million tons on account of timely winter rains, in contrast with the poor spring crop of last year which brought much of north India to the brink of famine. While weather remains the major determinant of annual production, attempts to raise the level of output are reflected in India's High Yielding Varieties Programme and, above all, in the sharp rise in fertilizer supplies due mainly to a doubling of imports; 1967 was a year of change in outlook during which a new strategy for agriculture was being hammered out. If, as seems likely, variability increases with the rate of growth of output,[11] a strategy to raise output while avoiding sharp drops will need to be very complex and geographically variegated.

In many parts of north India including the Punjab, Haryana and Delhi, food prices were reported to have fallen sharply and the central government was being urged to support prices so that farmers might not shift to the growing of more lucrative cash crops. While the prices of grain fell by as much as 20 per cent around Delhi, there was no corresponding reduction in the retail prices; apparently, the middlemen managed to swallow the dividends from a good crop.

The Government does not as yet seem to have devised an adequate distribution machinery so that surplus stocks can be shifted readily from one state to another. Thus it was not possible to take full advantage of the bumper crop to enlarge the national buffer stock without importing additional grain. A resolution calling for the nationalization of grain mills so as to prevent cornering of stock and hoarding failed to be passed by the legislative assembly.

The Aid India Consortium estimated that, despite the bumper crop, India would need to import about 10 million tons of foodgrains in 1967. By December 1967, the United States had supplied to India about 6 million tons of foodgrains under PL480 arrangements, and India had bought an additional 500,000 tons for cash. These imports were needed not only for current consumption but also to replenish the depleted buffer stock. The Government planned to maintain grain imports from the United States for stock building. Consequent on the decision to phase out sales of commodities for domestic currencies, the United States decided that as from 1968, 25 per cent of food aid to India would be in the form of a long-term loans repayable in convertible currency.

'Miracle' seeds, ten times as productive as the old varieties, have given India new hopes of banishing for ever the shadow of famine. Dwarf varieties of wheat from Mexico, and hybrid rice from the Philippines and Thailand, are reported to be making a marked impact. Instead of tall, rippling fields of wheat it is dwarf crops, with sturdy stalks heavily laden with grain which seem to hold the promise of the future.

Given the right amount of fertilizer, it is estimated that the new varieties of seed could treble production in well irrigated areas; under good conditions, they might produce one extra ton of food per acre. In 1967, India was putting 16 million acres of irrigated land under the new varieties and this was expected to give an extra yield of at least 10 million tons of foodgrains. With these recent developments there was strong hope of achieving the target of 105 million tons by 1971.

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[11] S. R. Sen, "Growth and Instability in Indian Agriculture", *Agricultural Situation in India,* Vol. XXI, No. 10, January 1967, p. 827 ft.

As for other crops, raw cotton output rose slightly while raw jute and mesta production increased by almost 14 per cent. Groundnut production also increased by 6 per cent, and tea output increased slightly. The production of centrifugal sugar, however, dropped significantly on account of drought and the diversion of cane to the production of gur and khandsari.

*Indonesia's* paddy production in 1967 was reported to have increased slightly compared with the previous year. While output rose in certain areas, the over-all shortfall was due to floods which affected Java in particular. Maize production in 1967 was about the same as in 1966 while copra output was said to have dropped by about 2 per cent. The decline in copra was probably due to low domestic prices and the rising proportion of over-aged trees. Sugar production also declined, but rubber and palm oil output increased due to additional acreage.

In 1966, Indonesia had net imports of 303,000 tons of milled rice. With the decline in domestic availability in 1967, net imports of 212,000 tons were needed during the first seven months of the year, placing a considerable strain on the balance of payments. The rice shortage was aggravated by the inefficient transport system which impeded the movement of rice from surplus to deficit areas. In order to contain the advance in rice prices during the second half of 1967 the Government released from stock some 100 tons of rice per day in Djakarta at 17 rupiah per litre, well below the prevailing market price.

Output per hectare of paddy land in 1966 was at about the 1962 level of 1.83 tons (see table II-5). This stagnation was evidently connected with the scarcity of chemical fertilizer. In 1965, Indonesia used about 8.5 kg of chemical fertilizer per hectare compared to 167 and 256 kg per hectare in the Republic of Korea and China (Taiwan) respectively. For lack of foreign exchange, imports of fertilizer declined from 447,000 tons in 1962 to 180,000 tons in 1964 and the decline was probably much more in 1966 and 1967.

Severe drought in the *Republic of Korea* caused the production of foodgrains (including white potatoes) to decline by 9.7 per cent in 1967. The production of rice which forms over one-half of foodgrains thus defined declined by 8.1 per cent, or 3 per cent below the annual average of 1962-1966. Barley and wheat (classified as summer grains) similarly declined.

Although foodgrain production rose at an average rate of 8 per cent during 1960-1966, a rate about thrice that of the population growth, the country had to import a large amount of wheat: 426,000 tons of wheat and 105,000 tons of wheat flour in 1966. The imports of wheat grain and flour were mainly financed under the United States PL480, and accepted as a non-traditional substitute for rice. In anticipation of a domestic grain shortage in 1968, 200 thousand metric tons of rice and 85 thousand of barley were bought early in this year.

From 1960 onwards, the prices received by the farmers particularly for foodgrain stayed generally ahead of the prices paid for farm supplies, wages and services. This was particularly true in 1963 when the prices of foodgrain rose sharply. The favourable terms of trade should encourage greater investment in agriculture and thus reduce the traditional heavy food deficit.

In 1966, paddy output in *Laos* was 623,000 tons, a decline of 16 per cent compared with the output of the previous year. The drop in paddy production was mainly caused by the floods of the Mekong River in the latter part of 1966, which destroyed some 20 to 30 per cent of the total planted area. As a result, Laos was reported to have imported some 60,000 tons of milled rice during 1967. The production of maize, tobacco and sugar-cane also declined. The Government's measures to increase agricultural production included the greater use of chemical fertilizers, the extension of loans at low interest rates and the introduction of new methods for double cropping.

In *Malaysia,* the output of natural rubber in 1967 increased by 2.7 per cent over 1966, a rate well below the 1961-1966 average. Palm oil production increased by 18 per cent and the output of palm kernels rose by 17 per cent over 1966 levels. Although the output of copra in West Malaysia fell marginally in 1967, coconut oil production rose by more than 6 per cent. The forecast for tea production indicated a decline of 4 per cent.

For the whole of Malaysia, paddy output slightly increased in 1966, though in West Malaysia alone it was estimated at 914,000 tons, some 2.5 per cent higher than the output in the previous year. In 1966, West Malaysia imported about 211,000 tons of milled rice, which equalled 36 per cent of domestic production. With the same level of output in 1967, imports will probably be the same or higher.

Paddy yields improved only from 2.05 to 2.26 tons per hectare during 1962-1966. The Government's programme to increase productivity included the provision of new irrigation systems and flood control;

the supply of new selected medium-term, high-yielding strains and varieties adaptable to double cropping; and the distribution of subsidized fertilizer.

Largely because of drought, *Nepal's* paddy output in 1967 was reported to be slightly less than the previous year's production of 2 million tons. In contrast, the output of barley and wheat increased by 8 and 9 per cent respectively.

As in many other developing ECAFE countries, the yield of paddy land in Nepal of 1.95 tons per hectare in 1966 was rather low. On the average, only half a kilogramme of fertilizer per hectare was used for cereal production. The annual consumption of chemical fertilizers in the last few years, for example, did not exceed 3,000 tons. The Agricultural Supply Corporation was created in 1966 in order to provide agricultural inputs at reasonable prices. In 1966, the use of chemical fertilizers increased to 10,000 tons which was about four times the amount used in the previous year. In 1965, irrigation covered some 113,000 hectares, or 5 per cent of the total cultivated area. These facilities were further extended in 1966, mainly through minor irrigation schemes. Land reform, extension of credit schemes and cadastral surveys were among the main measures taken by the Government to increase production.

*Pakistan's* agricultural production in 1966 is reported to have risen by 3.2 per cent, a marked improvement over the 0.8 per cent growth rate registered in the previous year.[12] Drought in West Pakistan coincided with floods in the eastern wing, and both resulted in heavy loss especially of food crops. Prices rose until early in March when rain in West Pakistan brought about an improvement in the condition of the standing *rabi* crop. Large-scale imports of foodgrains eased the situation in East Pakistan.

As for the position of major food crops in 1967, the production of paddy, which is the staple food in East Pakistan, was expected to decrease by about 8.8 per cent. The production of wheat, which is the staple food in West Pakistan, increased by 11 per cent over the 1966 level.

Among the export crops, centrifugal sugar production in 1967 (475,000 tons) was 7 per cent less than the previous year's output; on the other hand, the production of jute and allied fibres and raw cotton increased by 12 and 17 per cent respectively.

Pakistan has been plagued by food shortages mainly due to the vagaries of nature. The last two harvests were bad in both East and West Pakistan and this put a severe strain on the economy. The Government has now set the target of self-sufficiency in food by 1970 and to this end the strategy of the Plan has been rearranged accordingly. Pakistan's low productivity was not only due to the limited availability of irrigation water but more especially to the very low input of fertilizer which in 1965 was 5.6 kg per hectare (table II-6). Consequently, it was planned to double the production of fertilizer during the third plan period and its distribution was subsidized from 25 to 50 per cent. The agricultural programme emphasizes land development, tractor cultivation, and the use of power pumps for irrigation in addition to gravity systems. The Government plans to sink 49,000 tube wells in West Pakistan during the remaining three years of the third plan (1965-1970); 40,000 of these should be installed by private owners and the rest by the official agencies. The credit and marketing systems are being developed and several new agricultural co-operatives have been organized. The State Bank extended loans at 3 to 3.5 per cent to the agricultural sector, amounting in 1965 to Rs 411 million, the highest figure recorded. In addition, the Agricultural Development Bank gave loans to various agricultural co-operatives in both East and West Pakistan.

High hopes were also attached to the use of better seeds; IRRI rice seed imported from the Philippines was introduced on an experimental basis and Mexi-Pak wheat in West Pakistan. This wheat covered 300,000 acres and the area is to be extended to 2 million acres by June 1968. The programme also called for an additional 1.5 million irrigated acres under wheat. Out of a total planned irrigation acreage under wheat of 9.33 million acres in 1969, 4 million acres are to be sown with Mexican and Mexi-Pak varieties. The new wheat varieties were expected to contribute about three-fourths of the additional product. About 45 per cent of the estimated fertilizer sales of 420,000 nutrient tons in 1969 would be used on the wheat crop.

In the *Philippines* inadequate production called for the continuous importation of rice until in 1965 imports reached the record amount of 560,000 tons, worth about $60 million. The sum of production and imports of rice rose significantly in 1965:

| *Year* | *Production (1,000 m.t.)* | *Imports (1,000 m.t.)* | *Import value (million US$)* |
|---|---|---|---|
| 1963 .. .. | 3,843 | 256.0 | 38.7 |
| 1964 .. .. | 3,992 | 298.9 | 34.6 |
| 1965 .. .. | 4,073 | 559.6 | 60.7 |
| 1966 .. .. | 4,165 | 105.0 | ... |
| 1967 .. .. | 4,387 | ... | ... |

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[12] Ministry of Finance, *Pakistan Economic Survey*, 1966-1967.

The average yield of paddy land in 1966 was 1.35 tons per hectare compared with 1.72 tons in Thailand and 3.75 tons in China (Taiwan). Of the 5 million hectares of land devoted to the cultivation of rice and corn, only 10 per cent had irrigation water. Government surveys also pointed to the small amounts of fertilizer used in certain irrigated areas; it appeared that farmers did not know how to use it or else were reluctant to adopt innovations.

The Land Reform Programme of 1963 attempted to give greater incentives to tenant farmers by gradually substituting leasehold for share tenancy in preparation for owner cultivation. It also aimed at developing idle public lands and private landed estates by subdividing them into farms of economic size for distribution to displaced tenants and settlers. From the beginning, the programme ran into difficulties. The big land owners were not sympathetic to the programme; the Land Bank did not have adequate funds to finance the operations of independent leaseholders, and some highly placed government officials were reported to have come to fear that the programme might not only reduce production but also place most of the leaseholders at the mercy of private money lenders.

The rice deficit of about 350,000 tons which had been expected for 1967 may have been reduced to no more than 50,000 tons. This is due to favourable weather conditions and also to the successful results in the use of a new variety of rice giving higher yields and greater resistance to disease.

In 1967, paddy production increased by 5 per cent and maize by 4 per cent. Centrifugal sugar output increased but copra production was expected to decline due to severe drought and typhoons. Manila hemp production decreased by 5 per cent and log and lumber output was likely to decline due to the effect of the strict implementation of log export regulations and the fall in the external demand for plywood and veneer.

The over-all agricultural policy was to achieve self-sufficiency in rice and, to this end, more feeder roads and irrigation facilities were constructed. The use of more fertilizer was encouraged through distribution at subsidized prices. The marketing system was improved with the revival and extension of farmers' co-operatives. Operating capital was made available more abundantly through the 'quedan' system, by which warehouse receipts issued for rice can be cashed promptly at the authorized banks.

In 1966, *Thailand* recorded a significant increase in agricultural production. The production of paddy, the principal crop and chief export, was estimated at 11.8 million tons in 1966, an increase of about 28 per cent over the previous bad year; however, output in 1967 is likely to have been lower. The production of maize, sugar and kenaf was expected to decline in 1967. During the first eight months of 1967, the output of natural rubber slightly increased.

In an effort to improve agricultural production, the area under irrigation and flood control was expanded from 6 million hectares in 1965 to 6.9 million hectares in 1966. The Government's policy of encouraging the use of fertilizer, better seeds, and double cropping contributed to the increase in productivity of land from 1.5 tons in 1962 to 1.7 tons of paddy per hectare in 1966 (table II-5). Due to flood control measures, the total damaged area was reduced from 8.5 per cent of the total cultivated area in 1965 to only 5.9 per cent in 1966.

Thailand was more than self-sufficient in foodgrains. It is by far the largest rice exporter in the ECAFE region. In 1966, of the total value of exports, rice and maize accounted for 27.9 per cent and 10.6 per cent respectively. In spite of the general increase in the export price of rice in 1966, total rice exports declined from 1.9 million tons in 1965 to 1.5 million tons in 1966, due to an increase in domestic demand. The growth in maize production during the past several years was stimulated by a favourable external market particularly in Japan.

Owing to prolonged military operations, agricultural production in the *Republic of Viet-Nam* continued to decline in 1966 and 1967. Paddy output in 1966 of 4.3 million tons was, in effect, 10 per cent lower than the preceding year's level. The production of natural rubber also declined sharply from 61,000 tons in 1965 to 49,000 tons in 1966, mainly due to damage inflicted to the rubber plantations by the guerilla warfare in the southern region; the decline in output appears to have continued in 1967. Output of other important crops such as maize, tea, kenaf, and sugar-cane was also reported to have declined in 1967. Because of the war, the Government's efforts were confined to rural reconstruction programmes to increase output in limited areas and to provide security. Since 1965, the war has converted the Republic of Viet-Nam from a rice-surplus into a rice-deficit country. Net imports of rice in 1966 amounted to 500,000 tons and with the decline of paddy production during 1967 the imports were probably larger.

### NOTE ON THE AGRICULTURE OF MAINLAND CHINA[13]

The successive agricultural failures during 1959-1961 and the sudden halt of aid from the Soviet

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[13] Information available to the United Nations on economic trends in mainland China—particularly quantitative information—is subject to important qualification as to availability, comparability and vertifiability.

Union in 1960[14] caused a serious food shortage and industrial dislocation which led in 1961 to a change in the emphasis of development policy from heavy industry to agriculture, with light industry and heavy industry following in that order.

The basic concept of the shift is reflected in the modification of the country's "development theme". Before 1960, the general theme was 'priority development of heavy industry'. In 1960 it was gradually toned down first to 'agriculture as the foundation and industry the dominant factor of the national economy, and simultaneous development of industry and agricultural on condition of giving priority to heavy industry', and then to 'taking agriculture as the foundation and industry as the dominant factor and integrating priority for the development of heavy industry with the speedy development of agriculture.' Following that, it was proclaimed that 'the whole nation in 1961 must concentrate on strengthening the agricultural front, and thoroughly carry out the policy of taking agriculture as the foundation of the national economy'. In September 1962 the nation was told to carry through the general policy of developing the national economy with agriculture as the foundation and industry the leading factor and attach first importance to the development of agriculture.

Since 1963, when agricultural production had just got on the way to recovering before the Great Leap Forward level (i.e. pre-1958), industrial development policy has been reviving, as witnessed by the resumption of purchases of foreign plant and equipment to supplement the increasing domestic output. Large-scale food imports have continued since 1961.

*Production*

Crop outputs in mainland China in general advanced steadily during 1950-1957. The exceptionally good harvests which were reported for 1958 were followed by three successive crop failures (1959-1961). A steady recovery has been reported since 1962, but no production figures have been released since 1960.

Recent reports indicate that the country's agricultural production in 1967 was the highest in history.[15]

Mainland China's output of foodgrains (including potatoes) in 1958 was probably in the neighbourhood of 200 million tons. With the steady improvement in irrigation and drainage and greater application of chemical fertilizers, and in the absence since 1962 of serious natural calamities, the country's 1966 foodgrain output may well have surpassed that in 1958.[16]

The second five-year plan (1958-1962) had expected an output of grains in 1962 of 250 million tons. For that year, FAO estimated a foodgrain output of 156 million tons (exclusive of potatoes which the Chinese statisticians include in foodgrains). The shortfall may not have caused any real shortage during the years after 1963, taking into account the growth of the population, but it must have adversely affected the country's grain reserve programme. While the output of 1966 is supposed to have surpassed that of 1958 and the output of 1967 that of 1966, the country may now have come closer to the target set for 1962, but this delay obviously must be felt as a general strain on development.

The behaviour of other crops—chiefly cotton and oil-seeds—seems in general to have been even less encouraging. Available unofficial estimates[17] of the production of cotton, soya beans, groundnuts and rapeseed place the latest harvest (1965 except for cotton which was estimated for 1966) on a level with or above the highest estimated outputs in this decade. In each case these lie below the official Chinese figures for the crops of 1958 or 1959. While the unofficial estimates of recent cotton crops[18] may be too low it is unlikely that the true level of 1958-1959 was exceeded before the good harvest of 1967.

It is only sugar and its raw materials which seem to have made indisputably spectacular advances in the post-Leap years. According to the (unofficial) FAO estimates, the output of sugar rose between 1961 and 1965 by 1.1 million tons (from some 1.7 million tons).

*Development policy*

The structural change in mainland China's agricultural sector started with the spectacular land reform of 1950-1952 and ended with the establishment of the rural people's communes in 1958. The country's farmland was redistributed to peasants and on the basis of the new system of peasant land ownership, agricultural collectivization was gradually carried through. The transformation started in the early fifties with the organization of agricultural mutual-aid production teams and elementary co-operatives of agricultural producers. While private ownership of land and other means of production persisted under these schemes, the next stages of advanced co-operatives (about 1956), and, finally, of communes, were based on collective ownership of the means of production.[19]

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[14] The halt included withdrawal of 1,390 Soviet Union experts and scrapping of 343 contracts on experts and 257 projects of scientific and technical co-operation, all taking place in a single month. It caused serious interruption to mainland China's original national economic plan and enormous loss to its socialist construction. (See letter of 29 February 1964 from the Chinese Communist Party to the Soviet Union Communist Party, in *Peking Review*, 8 May 1964.)

[15] *Peking Review*, 3 January 1968, p. 43.

[16] "China Reaps its Biggest Grain Harvest Since Liberation", in *Peking Review*, 1 January 1967.

[17] Cotton: *Cotton — World Statistics*, April 1967; soya beans, groundnuts and rapeseed: FAO, *Production Yearbook*, 1961-1966.

[18] See *Peking Review*, 12 March 1965, pp. 24-25, which reported the 1964 cotton production as 37 per cent above 1963, and higher than 1957. The official estimate for 1957 was 1.64 million metric tons, while *Cotton — World Statistics* gave 1963 as only 1.02 and 1964 as 1.2 million tons.

Agricultural development has been furthered by expansion of the cultivated area through land reclamation and by increasing yields per unit of land through technological improvements. Because the former is a slow, capital-craving process, emphasis has been laid on raising productivity. The reclamation of wasteland has proceeded fairly continuously since 1950; it appears that the cultivated area has been extended by about 10 per cent to something over 110 million hectares.

The main theme of the country's Twelve-Year National Programme for Agricultural Development (1956-1967) drawn up in 1956 and, after prolonged revision, promulgated in 1960,[20] was to raise agricultural yields. Concrete measures for agricultural development were published in 1958 in the Eight-Point Charter for Agriculture.[21] Post-Leap policy aims especially at increasing the output of badly needed foodgrains, cotton, and oil-bearing seeds. Measures for attaining this include extension of water and soil conservation systems, improvement of seed strains, increased application of chemical fertilizers, improvement of farm implements, better control of pests and plant diseases, and propagation of agro-technical information.

### *Training and research*

Agricultural education and training are being extended widely in mainland China. The number of new graduates in agricultural sciences from tertiary-level institutions increased sevenfold from 3,100 in 1957 to 20,000 in 1962.[22] Moreover, the establishment of agricultural secondary schools for training junior agro-technicians began in 1957.[23] By 1960 more than 30,000 such schools (including part-time curricula), operated by the communes, had a total enrolment of about 3 million.[24] In recent years, the work-study system has been extensively practised in agricultural schools at all levels (including even primary schools in rural areas).

Agricultural research institutes and agro-technical stations have been widely established to improve and disseminate agricultural techniques.[25] From this base, when the revolutionary movement for scientific experimentation emerged in 1964, experimental groups mushroomed in the rural areas. By late 1965, there were more than a million such groups, with 7 million members.[26] The interchange of peasant-experts as teachers and peasant-trainees from backward regions has been organized. Demonstration farms have been established, and a national conference was convened in 1966 to exchange experiences.[27] National scientific conferences were held on cotton (1963) and bast-fibre crops (1965).

### *Improved seed*

During 1950-1966, over 1,300 improved strains were bred in five principal cereal crops—rice, wheat, maize, millet and sorghum.[28] In the past few years a seed-breeding network has been organized, made up of scientific institutes, state seed-breeding centres and commune seed-breeding plots. In 1965, the area planted with improved strains of rice, wheat, maize, sorghum, millet and soya beans was reported to have expanded by 13.3 million hectares.[29] A national conference for seed improvement held in 1966 recommended another 72 strains of grain and industrial crop seeds for wide adoption.[30]

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[19] More than 120 million peasant households in more than 740,000 agricultural producers' co-operatives were merged in 1958 into over 26,000 rural people's communes. Generally there are three levels in a commune: the commune, the production brigade and the production team. The commune differs from the advanced co-operative in its larger size and its functions. It is an entity in which agriculture, industry, trade, culture and education, and military affairs are combined, and government administration and production management are integrated. However, for easier and better management, the size of the commune was subsequently reduced (and thereby the total number of communes increased to over 74,000) and ownership and management of the means of production were shifted down to the production team, which replaced the production brigade as the basic economic accounting unit (i.e. in the matter of income distribution). To increase incentives, a limited measure of private economy has been allowed commune members as a supplement to the collective economy.

[20] The programme was to supplement the country's general economic development plans and to be fulfilled simultaneously with the third five-year plan (1963-1967). Actually the third plan was postponed to cover the period 1966-1970.

[21] The eight points are: (1) adequate irrigation and drainage, (2) sufficient application of fertilizers, (3) deep ploughing and soil improvement, (4) seed selection and popularization of improved strains, (5) rational close planting, (6) plant protection, (7) improvement of farm tools, and (8) good field management.

[22] The number fell to 17,000 in 1963, but the increase in the number of colleges has apparently continued. In Kwangtung province alone five new agricultural colleges were established in 1965, to function on a work-study basis. (*Yang Cheng Wan Pao*, Canton, 1 September 1965).

[23] The training courses include basic agricultural techniques and the use and repair of agricultural machines.

[24] Such intermediate-level training appears to have expanded in recent years; for example, Kiangsu province alone had reportedly produced 120,000 graduates by April 1963, and supplied 400,000 graduates and students to the agricultural front during 1958-1965.

[25] By the end of 1957, some 13,600 agricultural technical stations had been established.

[26] By the middle of 1966, in Kwangtung province alone, there were 80,000 groups set up in 74 per cent of the production teams, with a total membership of 430,000. Kiangsu province, by 1965, had set up 57,000 groups. In 1964 alone, 2 million Kiangsu peasants were given technical training. Experimental activity is concerned primarily with seed improvement, improvement of low-yield farmland, and control of pests and plant diseases.

[27] *People's Daily*, 8 May 1966.

[28] New China News Agency (NCNA), Peking, 25 April 1966.

[29] NCNA, Peking, 3 August 1965. Rust-resistant and high-yielding strains of wheat had been developed and planted on only some 1.3 million hectares in 1964, a small proportion of the country's entire wheat area. The area sown to such strains doubled in 1965 and was extended to 68 per cent of the winter wheat (mainland China's principal wheat crop) fields in 1966. (See "Good Harvest in the Midst of Revolution", in *China Reconstructs*, October 1967.)

*Fertilizer*

Organic fertilizer is still extensively used in mainland China. Efforts are being made to develop the chemical fertilizer industry and to import more from abroad. While annual domestic output is estimated to have increased between 1964 and 1967 by about 5 million tons, annual imports in the same period rose by about 4 million tons. An estimate of the amount of fertilizer available per hectare shows a threefold increase in those three years, to about 128 kg. This is less than the rates in Japan (300 kg), China (Taiwan) (230 kg) and the Republic of Korea (165 kg) in 1964/65.

*Agricultural implements and machinery*

In view of the prevailing conditions of topography, the small size of farms, local variations in the methods of cultivation and limited machine-building capability, emphasis was given to semi-mechanization as a first step, including the improvement of traditional farm tools. Mechanization was promoted in 1958, when agricultural collectivization had been completed and the country's first tractor plant went into production. A ministry of agricultural machinery was established in 1959 to supervise the manufacture of farm machinery and implements. By 1964, more than 1,000 enterprises employing 300,000 workers were producing farm machinery of various kinds: tractors, power tools, drainage and irrigation machinery, spare parts and animal-powered equipment.

Agricultural machine stations were established throughout the country. During 1952-1957, 390 stations were established and the total rose to over 2,200 by 1965. These stations were equipped with tractors, power machinery, tools and implements for all phases of farm operation and transport. The number of farm tractors in use (in terms of 15-horsepower units), owned by the stations and state farms, increased from 24,000 in 1957 to some 150,000 in 1965.[31] Domestically-built tractors range from 7 to 100 horsepower each unit; in recent years, emphasis has shifted to production of the smaller models, especially the hand-guided type of 7 horsepower most suitable for hilly regions and small farms.[32] The manufacture of irrigation and drainage equipment has been expanded since 1958.

*Irrigation and soil conservation*

Large-scale water conservancy projects have figured prominently in rural development with tens of millions of workers mobilized in the slack season. In recent years, special emphasis has been given to improvement of existing systems and to the construction of smaller projects and auxiliary works within the capability of the rural communes. The extension of power-driven irrigation pumping systems has been emphasized in the fertile rice-producing regions of the Yangtze and Pearl River valleys. Power pumping capacity for the whole country reached 6 million horsepower in 1964, representing an elevenfold expansion since 1957. More than one hundred big reservoirs with a capacity of more than 100-million cubic metres and numerous smaller ones have been built since 1949. The total area under irrigation was doubled from 16 million hectares in 1949 to 33 million in 1964.[33] In recent years it is estimated that 1⅓ million hectares have been added to the irrigated total annually. As a consequence the ability to fight the ancient scourges of drought and flood has been assured for nearly one-third of the cultivated area of the country. Complementary work in water and soil conservation has included afforestation programmes since 1949 and, in recent years, greater construction of terraced fields.[34]

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[30] NCNA, Peking, 25 April 1966.

[31] It has been officially estimated that, apart from the large amount of other mechanical equipment, the country would need at least one million tractors (in terms of 15 h.p. units) in order to achieve full farm mechanization.

[32] NCNA, Peking, 17 October 1966.

[33] See NCNA, Peking, 29 September 1963 and 16 September 1965; Su Tsung-sung in *China Reconstructs*, November 1964.

[34] NCNA, Peking, 12 June 1966 and *Ta Kung Pao*, Hong Kong, 22 August 1966.

## Chapter III

# PRODUCTION: INDUSTRY

Manufacturing in most countries of the ECAFE region is relatively little developed. Few of the countries are bountifully endowed with industrial resources and most are too small or too poor—or both—to provide adequate markets for much domestic industry. Industrial skills are characteristically few; population pressure and inefficient agriculture limit the investible surplus and impair the capacity to import for industry. World markets for manufactures are hard to enter and, despite low wages, new industries frequently find it difficult to produce at costs which are internationally competitive. These and other obstacles notwithstanding, considerable industrial development has taken place during the last decade or more. Manufacturing in several of the region's less developed countries has begun to contribute significantly to total output. In some countries it now engenders further development by enlarging the opportunity for further industrial production of intermediate or final goods.

In the process of economic growth over a period of a decade or more, structural changes appear which reflect the growth of manufacturing industries. High and rising levels of productivity in manufacturing, themselves the result of capital accumulation and the application of modern technology, make it possible to attract further capital, labour and other resources and to raise rapidly the level of industrial output. As this growth proceeds, certain sectors emerge which not only grow faster than the rest of the economy but serve to pull other sectors in their wake. Even over shorter periods of time, the comparison of growth rates in manufacturing with those in total output suggests the nature of the changes of structure.

During the present decade, rates of growth of manufacturing output have typically exceeded those of gross domestic product; in some countries construction and power production expanded at even higher rates. At the middle of this decade, the share of industry in the total product of the less developed countries of the region generally ranged below one-fourth, and that of manufacturing below one-fifth. During 1960-1965 the incremental contribution was generally higher than these shares but it was frequently insufficient to overcome the retardation of growth in total product imposed by poor agricultural performance. Although the growth of manufacturing had slackened by the middle of the decade, improved harvests in 1967 also promised better industrial performance during the second half of the year and into 1968. Directly and indirectly, manufacturing performance in most countries of the region is still heavily conditioned by the fortunes of agriculture, despite the marked broadening of the industrial base in recent years.

Important as the relative size and the rate of growth of the manufacturing are for the impetus which this sector gives to the development of the rest of the economy, this impetus also depends upon the internal structure of manufacturing. Manufacturing industries which can produce the machines and intermediate goods for use in other industries, in agriculture, mining, and transport, will presumably have wider and stronger spread effects than a sector which produces only consumer goods. The metal products and engineering industries, nucleus of the so-called heavy industries, are relatively little developed except in India, though some machine-building industries have been established in China (Taiwan), Hong Kong, and the Republic of Korea.[1] Because such industries depend for their markets in large part on other industries, the limited growth of manufacturing itself hinders their early development. Moreover, the economies in which the manufacturing sector is small are typically those with low *per capita* incomes and their limited demand for consumer durables is generally inadequate to support these industries.

Increased requirements for foreign exchange and the limited domestic markets in all but the largest countries point to the urgent need for increased exports of manufactured goods. The continued efforts being made in that direction have met with considerable success during the present decade, especially in China (Taiwan), Hong Kong, the Republic of Korea, Pakistan and Singapore. Thus far, however, the expansion of exports of manufactured goods such as canned foods, textiles and garments, veneer and plywood, has been dependent upon controlled access to markets in the developed countries. Such markets are subject to the uncertainties of policy decisions as well as to the fluctuations in economic activity which, with the sluggish economic performance in several Western countries, seem to have contributed to a slackening growth of exports towards the middle of the decade. The hostilities in the Republic of Viet-Nam have stimulated demand for a number of exports including petroleum products, cotton textiles, plastics, cement and construction steel, other metal products and machinery, particularly from China (Taiwan), the Republic of Korea and Singapore.

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[1] United Nations, *Industrial Development in Asia and the Far East* (New York, 1966), especially vol. IV, pp. 48 *et seq.*

*Regional patterns*

A convenient though inadequate summary of the quantitative changes in industry in the developing ECAFE region is found in the regional index of industrial production. Table II-10 suggests the general pattern of change during the present decade in terms of average annual percentage changes for appropriate sub-periods.

Table II-10. Developing ECAFE region: average annual changes in indices of industrial and agricultural production, 1960-1967

*(Percentage)*

| | *Weights (1958)* | *1960-1963* | *1963-1965* | *1965-1966* | *1966-1967 (preliminary)* |
|---|---|---|---|---|---|
| All industry . . . | 100 | 8.8 | 9.2 | 7.0 | 5 |
| Mining . . . . | 18 | 7.4 | 10.7 | 4.2 | 13 |
| Manufacturing . | 76 | 8.8 | 8.6 | 7.6 | 3 |
| Electricity . . . | 6 | 14.1 | 12.6 | 11.2 | 14 |
| Agriculture . . . | | 2.4 | 0.4 | 0 | . . . |

*Source:* United Nations, *Monthly Bulletin of Statistics*, November 1967, special table A, Asia excluding Japan; 1958 = 100.
Agricultural production: FAO all-commodity index, 1952 - 1956 = 100. See *Asian Economic Statistics*, table 9, p. 153, below.

Because of the unavoidable ambiguity of index numbers, the apparent retardation in the rate of growth in manufacturing and electrical power production since 1963 is probably overstated. Although the absolute increments to manufacturing output fell after the 1963 peak, they remained practically unchanged thereafter, thus yielding a smaller relative increase in each succeeding year. Much the same is true of power production, though the largest absolute increment appeared in 1965. In short, though there is an apparent retardation in both cases, this is almost entirely a matter of proportions; in absolute terms, growth continued at an approximately constant rate. Given the growth of population in the region at a rate exceeding 2 per cent per annum, it is clear that the growth in manufacturing output and possibly industrial output per head has been seriously retarded since 1963 or 1964. The estimates for 1967 are based upon partial information and are thus subject to a somewhat greater degree of uncertainty.

The annual changes in the agricultural production index are added to the table to direct attention to the interdependent performance of agriculture and industry. The drought and harvest failures which plagued several countries, particularly during 1965 and 1966, entailed in varying degrees deleterious effects on industrial production. The direct effects appear as shortages of agricultural products destined for industry—foods for processing, vegetable fibres for textiles, and other industrial inputs.[2] Increased prices due to reduced agricultural output raised the costs of material inputs and wages in industry. Decreased exports of primary products and the necessity of greater imports of foods reduced the availability of foreign exchange for industrial inputs and spares. Reduced incomes in the countryside and, secondarily, among industrial workers in urban areas contributed to tighter domestic markets for consumer goods manufactures. Market phenomena such as these can be analysed only on a country-by-country basis but even the regional indices broadly reflect the interdependence of the two sectors of commodity production.

The dominant manufacturing component of the index may usefully be observed in somewhat greater detail. Variation in the behaviour of heavy and light industry suggests possible differences in performance which are more appropriately tested at the level of the individual economy. Recognition of the structural changes within manufacturing, as well as relationships between the manufacturing sector and the rest of the economy, provides some insight into the nature of the growth process. Consideration of patterns of inter-industry shifts at the aggregate level, however, can at best be only descriptive. Because the aggregate index is a composite of several country indices, no functional relationship can be assumed among the aggregated sectoral components. Hence, though the somewhat more rapid growth and consequently increased quantitative importance of so-called heavy industry may well reflect meaningful change, its significance will be found in the first instance at the national level.

*Variations in growth patterns among countries*

Although most of the countries share certain characteristics and developmental problems by virtue of their relatively less developed state, they are yet too different to allow much generalization about industrial development.[3]

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[2] Water shortages in some cases forced reductions in power production with the consequence of further reductions in industrial output.

[3] In respect of the index cited above, it may be noted that India dominates the manufacturing component by providing 47 per cent of the total value added estimated for 1966. Pakistan contributed nearly 14 per cent, followed by the Republic of Korea with less than 10 per cent and the Philippines and China (Taiwan) with less than 5 per cent each. For perspective, one may add that the value added by Japan's manufacturing sector was two-and-a-half times that of the aggregate estimated for the developing countries of the region in 1966.

### Table II-11. Developing ECAFE region: broad changes in the structure of manufacturing industry, 1960-1966

*(Percentage)*

| *Industry group* | *Contribution to total manufacturing value added* 1960 | *Contribution to total manufacturing value added* 1966 | *Growth rate 1960-1966* |
|---|---|---|---|
| Light industry | 64.0 | 58.7 | 7.0 |
| Food products | 24.5 | 21.7 | (6.5) |
| Textiles | 16.2 | 13.6 | (5.3) |
| Others | 23.3 | 23.4 | (8.5) |
| Heavy industry | 36.0 | 41.3 | 11.1 |
| Chemicals and petroleum products | 11.7 | 13.2 | (10.7) |
| Basic metals | 5.8 | 6.0 | (9.5) |
| Metal products | 13.2 | 16.7 | (12.9) |
| Others | 5.3 | 5.4 | (8.9) |
| All manufacturing | 100.0 | 100.0 | 8.6 |

*Source:* United Nations, *Monthly Bulletin of Statistics, op. cit.* Derived from the index of manufacturing production for Asia excluding Japan; 1958 = 100.

To correct the excessive generalization embodied in the regional indices, the performance of individual countries must be briefly surveyed. Table II-12 presents average annual changes in agricultural and manufacturing production in the countries for which data are available.[4]

Without pretending to read much into these figures, some patterns do emerge. Relatively small manufacturing sectors appear to display relatively high growth rates; this is the familiar problem of the use of percentages. The figures reflect the poor agricultural performance of the countries in the western half of the region—India, Pakistan, Iran and Burma, and of Indonesia. By and large, there appears to be a fair correspondence between these changes in the growth rates of agriculture and industry. This correspondence seems good in five countries, and it also exists to some extent in the Republic of Korea and Iran. It is absent in West Malaysia, Thailand and Indonesia. Broadly speaking, the poorer correspondence stems from the relative independence of manufacturing from domestically-produced agricultural inputs.[5] The measure of Iranian value added by manufacturing is heavily influenced by petroleum refining; in the Republic of Korea, manufacturing rests fairly lightly on the country's agricultural resources. The growth of West Malaysian manufacturing in recent years has been almost entirely in non-agriculturally based industries. For Thailand, with nearly one-third of total manufacturing value added produced by food processing, rather greater correspondence appears when the relationship is lagged. The credibility of the data from Indonesia is so doubtful and the rates of change so small that the failure of manufacturing to respond to the apparent improvement in agricultural performance is not surprising.

### Table II-12. Developing ECAFE countries: average annual change in agricultural and industrial production, 1960-1966

*(Percentage)*

| *Country*[a] | *Sector* | *1960-1963* | *1963-1965* | *1965-1966* |
|---|---|---|---|---|
| India | A | 2.2 | –1.5 | –1.6 |
| | M | 7.5 | 6.2 | 3.0 |
| Pakistan | A | 3.4 | 0.8 | –3.8 |
| | M | 15.1 | 8.8 | 8.8 |
| Republic of Korea | A | 8.0 | 14.0 | 6.7 |
| | M | 11.4 | 13.7 | 17.9 |
| Philippines | A | 4.0 | –1.1 | 11.8 |
| | M | 6.1 | 5.5 | 8.7 |
| China (Taiwan) | A | 2.2 | 9.1 | 1.3 |
| | M | 11.4 | 22.9 | 12.9 |
| Malaysia (West) | A | 4.2 | 4.2 | 6.0 |
| | $M_v$ | 9.2 | 13.9 | 12.5*e* |
| Thailand | A | 6.1 | 0.7 | 12.8 |
| | $M_v$ | 7.9 | 15.4 | 9.0 |
| Iran | A | 3.9 | 2.6 | 0.0 |
| | $M_v$ | 9.6 | 7.6 | 13.8*p* |
| Indonesia | A | –0.5 | 2.8 | 4.4 |
| | $M_v$ | 1.7 | 1.8 | 1.3*e* |
| Burma | A | 4.2 | 1.0 | 3.8 |
| | $M_v$ | 11.5 | ... | ... |
| Ceylon | A | 4.4 | 0.4 | 3.7 |
| | $M_v$ | 13.8 | 0.2 | 5.9 |

*Source:* Agriculture: FAO, *Index of Agricultural Production.* Manufacturing: national publications.

[a] Ranked by size of manufacturing value added in 1965.

A: Agricultural production index.
M: Manufacturing production index.
$M_v$: Manufacturing, value added at constant prices.
*e*: Estimated.
*p*: Preliminary.

The general impression given by the regional index (table II-10 above) is one of a distinct retardation of manufacturing growth at mid-decade. Though this impression cannot be explained away, the country indices make it clear that the pattern is not fully representative. The two largest economies, India and Pakistan, which account for three-fifths of the aggregate manufacturing value added for the countries covered by the index, did indeed experience such a dampening of growth rates, and Indonesia contributed its share to this movement. Data for Burma are not available after 1964; other evidence suggests that Burmese manufacturing growth has become less rapid since the early years of the sixties. For the others, the pattern is more variegated. Deceleration of growth between 1960-1963 and 1963-1965, followed by varying degrees of acceleration in 1966, describes the course of manufacturing activity in Ceylon, Iran and the Philippines. A contrasting pattern, with accelerated growth through 1965 and a subsequent retardation, characterizes China (Taiwan), West Malaysia and Thailand. Of these six countries, only the Philippines contributes as much as 5 per cent of the aggregate value added by manufacturing. Only the Republic of Korea, with nearly one-tenth of the aggregate weight, shows persistent acceleration during the entire period covered.

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[4] The basis for the figures for agriculture is the FAO agricultural production index. For manufacturing, production indices have been used for the first five countries in the list; because such indices are lacking for the remainder, the average annual changes are based on value added by manufacturing at constant prices. This procedure introduces a bias in the comparison, in that changes in physical volume of agricultural output are compared with changes in real net value of manufacturing output. Since the focus here is upon changes in rates of change, that is, acceleration or deceleration, among the selected sub-periods shown in the table, this inconsistency may be of minor importance.

[5] As noted earlier, this is not the only connexion nor necessarily the most important. In present circumstances, however, it does suggest an *ad hoc* explanation.

Improved agricultural performance during 1967 and early reports of industrial activity from India and Pakistan indicate that some recovery of manufacturing growth occurred in 1967. Less concrete information from Malaysia and Thailand suggests improved manufacturing growth rates despite uneven agricultural performance. In China (Taiwan) and the Republic of Korea, both agriculture and manufacturing appear, on the basis of incomplete information, to have accelerated during the past year. There is thus some reason to assume that manufacturing growth picked up slightly for the region as a whole.

### *The importance of manufacturing*

A convenient measure of the importance of industrial activity in the economy as a whole is the proportion of total employment provided by the sector or by the sectoral contribution to aggregate value added. Without such an indication of the relative importance of the industrial sector, the significance of the sector's performance in the performance of the whole economy is left entirely undefined. Even a cursory glance at table II-13 makes it clear that there is considerable variation from country to country in this regard.

Both historical evidence for individual countries and cross-sectional data from large numbers of countries reveal a positive association between the share of manufacturing in national product and the level of income per head. Such an association reflects the relatively higher product per head of employed labour in the manufacturing sector and in related industrial activities.[6] This association between the relative size of the manufacturing sector and income per head is also found among the developing countries of the ECAFE region though the data are imprecise.[7] If economic growth is defined as a sustained increase in real income per head, then the association between this measure of income and the percentage contribution of manufacturing to national product implies the structural transformation of a developing economy in the direction of a relatively larger manufacturing (and, more broadly, industrial) sector. Historical evidence tends to show that such a structural transformation is a characteristic and integral part of the development process. The period under review is patently too short to permit a judgement concerning the maintenance of growth in real income per head; for the same reason it would be premature to attempt a measure of the associated structural change, although evidence of such change appears clearly in respect of several countries.

The ratios in table II-13 analyse the contribution of the industrial sector to the growth of aggregate real product. A given sector of economic activity affects the rate of growth of aggregate product to an extent determined by the growth rate of that sector times its relative size. The growth of the whole is a weighted average of the growth rates of its components. Clearly, the rapid growth of a large sector will have a greater influence on aggregate growth than an equal rate of expansion in a small sector. It is also clear that the effect of a rapidly growing sector on total output may be offset by a relatively greater negative change in another sector.[8]

In the countries listed in table II-13, the growth rate of industry exceeds that of the economy as a whole except for Japan and Indonesia. Because the industrial sector in Japan is relatively large, however, the incremental contribution to aggregate real product is among the highest shown in the table. The rates of growth of industry exceed those of its component, manufacturing, in seven out of twelve countries. In these, one or more of the typically smaller industrial sectors—mining, construction and utilities—advanced more rapidly than manufacturing in the period under review. In the five countries in which manufacturing appears as a leading sector, the relative size of manufacturing value added in aggregate product ranges fairly widely. Thus the notion of a rapidly-growing sector, typically the manufacturing sector,

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[6] See, for example, S. Kuznets, *Modern Economic Growth* (New Haven, 1966), especially chapters 3 and 8.

[7] For comparability the data must be converted into a common currency and this introduces an additional variable. Nevertheless, a scatter diagram shows an unmistakable positive relationship. The contrast between the extremes is more marked when the developed countries of the region are included in the comparison.

[8] In India this has apparently occurred in years of agricultural decline. In West Malaysia, and perhaps in other countries which are heavily dependent upon primary agricultural exports, a decline in world prices of these commodities — the case of rubber is apposite — can pull down the growth rate in an otherwise prosperous agricultural sector, overwhelm a rapid growth rate in a small manufacturing sector and severely dampen the growth of aggregate product.

## Table II-13. Contribution of industry to growth in total real product, 1960-1966

| | | *Percentage share of total product* | | *Growth rate in total product (per cent per annum)* | *Contribution to increment in total product (per cent)* |
|---|---|---|---|---|---|
| | | *1960* | *1966* | | |
| Burma | GDP*mp* | 100.0 | 100.0[4] | 2.3 | 100.0 |
| | Industry | 17.2 | 19.3[4] | 5.3 | 41.6 |
| | Manufacturing | 12.8 | 15.0[4] | 6.5 | 38.6 |
| Iran | GDP*fc* | 100.0 | 100.0[5] | 6.5 | 100.0 |
| | Industry[a,b] | 31.5 | 35.5[5] | 9.1 | 46.4 |
| | Manufacturing[a] | 27.4 | 30.3[5] | 8.7 | 38.2 |
| India | GDP*fc* | 100.0 | 100.0 | 2.9 | 100.0 |
| | Industry | 20.2 | 24.1 | 6.0 | 44.8 |
| | Manufacturing | 14.0 | 17.0 | 6.3 | 32.8 |
| Japan | GDP*mp* | 100.0 | 100.0 | 9.6 | 100.0 |
| | Industry[b] | 36.2 | 35.9 | 9.5 | 35.4 |
| | Manufacturing | 29.0 | 27.7 | 8.8 | 26.0 |
| Rep. of Korea | GDP*fc* | 100.0 | 100.0 | 7.5 | 100.0 |
| | Industry | 18.1 | 24.8 | 13.3 | 37.1 |
| | Manufacturing | 13.3 | 17.7 | 12.8 | 25.8 |
| Philippines | GDP*fc* | 100.0[2] | 100.0 | 4.8 | 100.0 |
| | Industry[b] | 22.1[2] | 24.0 | 7.1 | 33.5 |
| | Manufacturing | 17.2[2] | 18.6 | 6.9 | 25.6 |
| China (Taiwan) | GDP*mp* | 100.0 | 100.0 | 9.6 | 100.0 |
| | Industry | 24.7 | 26.8 | 11.1 | 29.7 |
| | Manufacturing | 16.7 | 18.6 | 11.6 | 21.2 |
| Thailand | GDP*mp* | 100.0[1] | 100.0 | 7.8 | 100.0 |
| | Industry | 17.2[1] | 21.1 | 12.1 | 29.6 |
| | Manufacturing | 11.4[1] | 13.9 | 12.0 | 19.3 |
| Pakistan[3] | GDP*fc* | 100.0 | 100.0 | 5.3 | 100.0 |
| | Industry | 12.9 | 17.3 | 10.7 | 29.6 |
| | Manufacturing | 9.8 | 11.7 | 8.4 | 16.8 |
| Malaysia (West) | GDP*fc* | 100.0 | 100.0[5] | 6.4 | 100.0 |
| | Industry | 22.0 | 24.9[5] | 9.0 | 32.8 |
| | Manufacturing | 8.5 | 10.4[5] | 11.0 | 15.9 |
| Ceylon | GDP*fc* | 100.0 | 100.0 | 2.7 | 100.0 |
| | Industry[b] | 10.8 | 12.4 | 5.2 | 22.0 |
| | Manufacturing[c] | 4.5 | 6.0 | 7.8 | 14.8 |
| Indonesia | NDP*fc* | 100.0 | 100.0[4] | 2.0 | 100.0 |
| | Industry[d] | 17.3 | 17.3[4] | 2.0 | 17.3 |
| | Manufacturing[d] | 12.2 | 11.9[4] | 1.3 | 12.2 |

*Source:* United Nations, *Yearbook of National Accounts Statistics*, 1965 and national publications.

*mp* = at market price. *fc* = at factor cost.

[a] Includes petroleum refining.

[b] Excludes utilities.

[c] Excludes production of building materials.

[d] Excludes petroleum refining.

[1] 1961. [2] 1962.

[3] Years beginning 1 July.

[4] 1964. [5] 1965.

which leads the economy in development is sometimes ambiguous. One measure of the importance of the growth of a particular sector may be found in that sector's contribution to the increment in aggregate product during a specified period of time.

In table II-13, the countries have been listed in order of the size of the incremental contribution of manufacturing to total real product. Because this measure is one of a relative contribution it must be treated with caution, particularly in inter-country comparisons. The relative size of the contribution of any sector to the increment in total output depends not only on its initial share and its growth rate but also upon its rate of growth compared with those of the remaining sectors. Thus the contribution of the manufacturing sector is a much larger part of the increment in total product in Burma than is the corresponding contribution in China (Taiwan). This relationship appears in spite of the fact that both the share of manufacturing in total product and its rate of growth are greater in China (Taiwan) than in Burma. By inference, the rate of growth of manufacturing product in Burma relative to the other sectors was greater than the corresponding relative growth rate in manufacturing in China (Taiwan). Thus an inter-country comparison of sectoral shares in total product and their growth rates does not at once suggest the differences in sectoral contribution to the incremental product.

The data in table II-13 point, first, to an unmistakable positive relationship between the rate of growth in manufacturing and that in aggregate product; somewhat less certain is the positive association between the initial share of manufacturing in total product and its incremental contribution; this relationship improves if the extreme cases are eliminated.[9] Thirdly, there is apparently some positive association between the incremental contribution of manufacturing and the manufacturing growth rate, more strongly evident when the extremes are disregarded. A similar positive association appears between the incremental contribution of manufacturing and the growth rate in total product.

In the circumstances, the positive associations between the incremental contribution from manufacturing and both the initial share and the growth rate of that sector are not surprising. Neither these associations, however, nor the magnitude of the incremental contribution provides a comprehensive reckoning of the importance of the manufacturing sector in the growth process. High rates of growth in total real product, though they may embrace a large contribution from the manufacturing sector, are contingent upon interdependent growth in manufacturing and non-manufacturing activity. The impetus to economy-wide growth generated by a rapidly expanding manufacturing sector consists in spread effects or linkages into other related activities as well as the direct contribution to national product. As recognition of structural interdependence suggests, the growth of the whole economy is well served by development in several sectors, which simultaneously support and are supported by a rapidly expanding manufacturing sector.

### *The structure of manufacturing*

Manufacturing typically dominates the industrial sector in both developed and developing economies in the region, providing two-thirds to three-fourths of the total value added in industry. Among the components of industry, manufacturing does not always expand the most rapidly throughout the growth process. Depending upon resource endowment and market opportunities, mining occasionally leads in the early stages of growth. Depending on demand and usually upon development policy, construction activity and the expansion of electric power and other utilities may be the pace-setters. The comparative rates of growth of the industrial sector and of its components will indicate the major differences in emphasis among the countries of the region.

The preceding section focussed on the structural transformation of the economy as an element of the growth process. The size of the industrial sector and the sector's rate of growth are of central importance in the developmental process. Related to this structural change, a development of the internal structure of manufacturing also takes place.[10] Although the pattern of internal structural change is not immutable, certain characteristic relationships are apparent. Where statistics are available over extended periods of time, the course of internal structural change can be traced in the historical data of particular countries.[11] Generally, however, the lack of such data necessitates recourse to inferences from intercountry comparisons of contemporaneous materials. In the following, an attempt is made to trace the observable relationships between the internal and the external structure of manufacturing in data from several Asian countries. With two exceptions these data come from the reports of manufacturing censuses taken during the early part of the present decade. In spite of variations in definition and classification among different countries, the comparability seems on the whole sufficiently good to permit generalizations concerning predominant patterns.[12]

Professor Kuznets' finding that "the major manufactures in under-developed countries are foods and textiles, which together account for over half of total value added", (*op. cit.*, p.412) is generally consistent with the shares shown for the developing countries of the ECAFE region.[13] Because there is

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[9] Indonesia and Burma for lack of comparability of the estimates and possibly, though less importantly, Iran, in which petroleum drilling and refining constitutes a large enclave with relatively limited input-output relations with the rest of the economy.

[10] At a highly aggregated level this shift is reflected in the increasing relative importance of so-called heavy industry in the regional index of manufacturing production. See table II-11 above.

[11] A pioneer effort is found in the work of W. G. Hoffmann, *The Growth of Industrial Economies* (Manchester, 1958). For a more comprehensive and sophisticated treatment see S. Kuznets, *Modern Economic Growth, op cit.*, pp. 135-143 and 412-414.

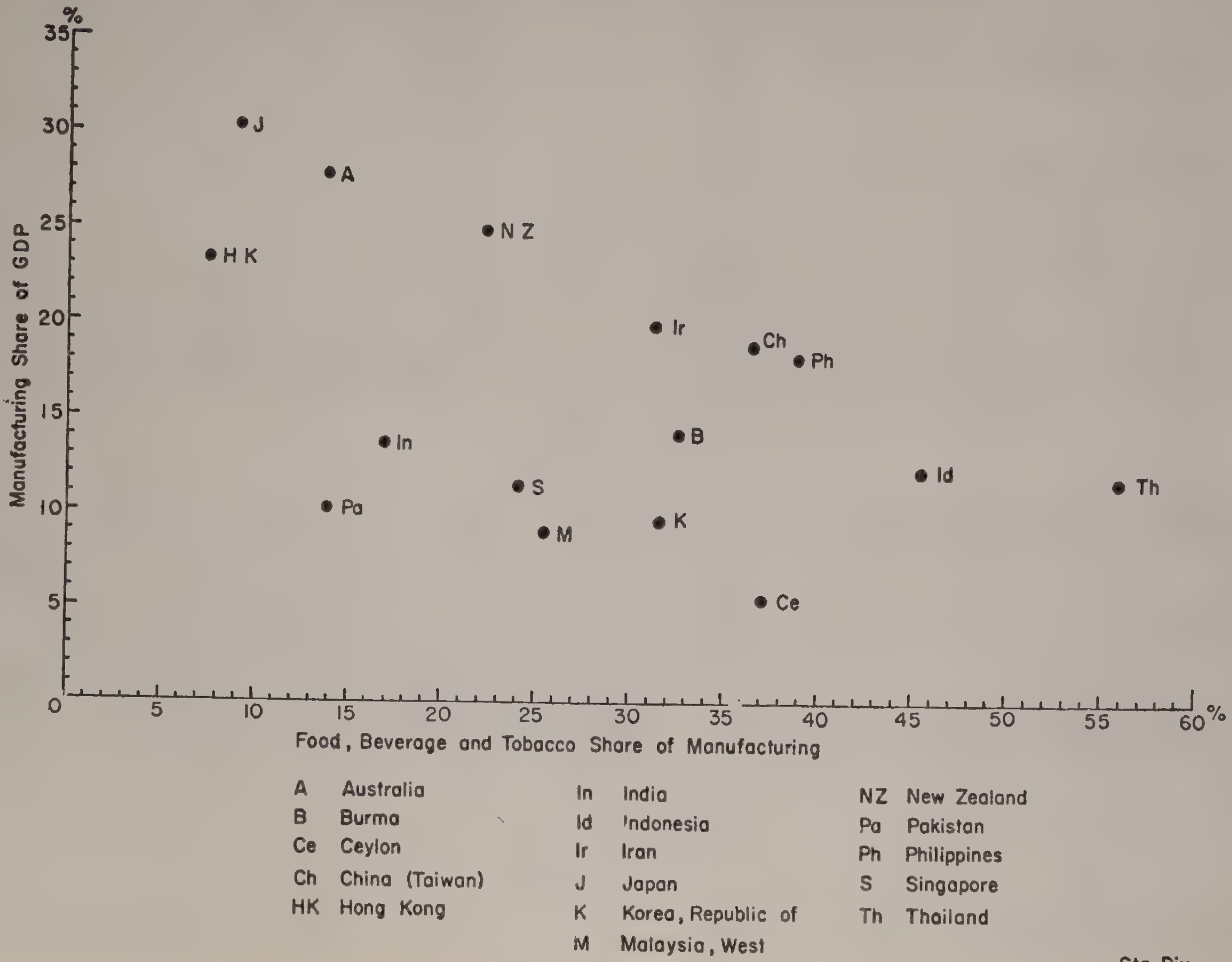
[12] Reference to more general patterns of relationship is based primarily upon the work of Professor Kuznets cited above.

Reports on censuses of manufacturing are summarized in United Nations, *The Growth of World Industry*, 1953-1965 (New York, 1967), Vol. II, national tables. This source has been supplemented by reference to national sources. The two exceptions are the data for Hong Kong and for India, all manufacturing.The former derive from estimates of gross domestic product by industrial origin, unofficially reported in the *Far Eastern Economic Review*, LII:8 (26 May 1966). The internal structure for all manufacturing in India, 1960/1961, has been derived from India, Central Statistical Office, Department of Statistics, *Brochure on Revised Series of National Product, 1960/1961—1964/1965* (August 1967). Industry-group estimates designated "e" in table II-14 below, include an arbitrary allocation of value added by small-scale industries to conform to the classification selected for the table. The entries in the second row for India in table II-14 come from the *Annual Survey of (large-scale) Industries*, 1963, as reported in United Nations, *Growth of World Industry*. Generalizations in the text below refer to the estimates for all manufacturing.

[13] In the years to which the data refer, five countries show the food and textile groups with more than half the value added by manufacturing: Pakistan, Thailand, Iran, Indonesia, and the Republic of Korea. Ceylon, India, China (Taiwan) and the Philippines reported shares marginally less than 50 per cent, while Burma and Hong Kong showed shares of 45 per cent. For West Malaysia and Singapore shares of less than 30 per cent are recorded. For the more fully developed economies, it may be noted that only New Zealand had a share for food and textiles which exceeded that of West Malaysia.

Chart II-1

Food Industries and the Relative Size of the Manufacturing Sector, 1960's



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### Table II-14. The structure of manufacturing: contribution to total manufacturing (value added), by industry group

(*Per cent*)*

| *Country* | *Year* | *Manufacturing as share of total product* | *Food, beverages, tobacco* | *Textiles, garments, leather* | *Wood, paper, publishing* | *Mineral, rubber products* | *Chemicals, petroleum products* | *Metals, metal product* | *Machinery, transport equipment* |
|---|---|---|---|---|---|---|---|---|---|
| Ceylon[j] | 1963 | 5.4 | 37.1 | 12.6 | 5.2 | 8.0 | 27.0 | 3.1 | 5.9 |
| Malaysia (West) | 1963 | 9.0 | 25.4[a] | 2.1 | 21.3 | 22.4 | 11.1[b] | 6.2 | 6.0 |
| Rep. of Korea | 1963 | 9.6 | 31.6 | 20.0 | 11.9 | 12.0 | 9.1 | 5.8 | 7.9 |
| Pakistan | 1962/1963 | 10.2 | 13.8 | 67.7 | 2.3 | 1.7 | 8.7 | 3.0 | 2.7 |
| Singapore | 1964 | 11.4[c] | 24.1 | 3.8 | 19.8 | 8.8 | 14.8 | 11.8 | 12.5[d] |
| Thailand | 1963 | 11.7 | 55.9 | 8.6 | 9.8 | 9.0 | 6.6 | 1.8[e] | 5.6[e] |
| Indonesia | 1960[b] | 12.2 | 45.4 | 13.9 | 7.9 | 9.3 | 8.9[b] | 1.9 | 10.8 |
| India | 1960/1961[f] | 13.7 | 16.9 | 32.4 | 7.9[e] | 8.2[e] | 6.7 | 9.0[e] | 12.5[e] |
|  | 1962[g] | 14.6 | 13.4 | 32.0 | 5.4 | 7.2 | 10.9 | 12.0 | 18.1 |
| Burma | 1961 | 14.1 | 32.6 | 12.8 | 9.9 | 5.1 | 33.8 | 3.2 | 1.9 |
| Philippines | 1962 | 18.1 | 38.9 | 9.2 | 10.2 | 8.0 | 16.9 | 5.9 | 10.0 |
| China (Taiwan) | 1961 | 18.8 | 36.5 | 12.7 | 9.4 | 10.0 | 14.0 | 7.9 | 8.3 |
| Iran | 1963 | 19.9[b] | 31.2 | 32.1 | 9.2 | 8.4 | 2.6[b] | 8.6 | 6.7 |
| Hong Kong | 1961/1962 | 23.4 | 7.5 | 38.0 | 11.2 | —— 15.1[h] —— |  | 9.1 | 13.2 |
| New Zealand | 1963/1964 | 24.9 | 22.2 | 12.7 | 21.8 | 5.1 | 7.1 | 7.1 | 21.2 |
| Australia | 1963/1964 | 27.8 | 13.8 | 11.0 | 13.0 | 9.0 | 6.7 | 16.1 | 27.9 |
| Japan | 1963 | 30.3 | 9.1[i] | 10.3 | 12.2 | 12.3 | 6.7 | 13.7 | 30.4 |

*Sources:* United Nations, *Yearbook of National Accounts Statistics*, 1965; United Nations, *Growth of World Industry*, 1953-1965, vol. II, national tables (1967), and national sources. Hong Kong estimates unofficial, see *Far Eastern Economic Review*, vol. LII:8 (26 May 1966).

* Miscellaneous (n.e.s.) group omitted; rows do not add up to 100 per cent.

[a] Excludes breweries. [b] Excludes petroleum refining. [c] Estimated. [d] Excludes motor vehicle repair.

[e] Estimated by distribution of values to sub-categories.

[f] All manufacturing; from revised national product estimates (1967).

[g] Large enterprises only; all manufacturing share of total product.

[h] Chemical and mineral products. [i] Excludes tobacco products.

[j] Basic data refer to value of gross output at market prices.

great variation among countries in the shares of each group in manufacturing value added the industry groups must be considered separately.

A scatter diagram (chart II-1) in which the share of food, beverage and tobacco industries in total value added by manufacturing is plotted against the share of aggregate product contributed by all manufacturing, points to a negative association. Thus in general the food, beverage and tobacco group does not increase in step with the manufacturing sector. Closer inspection of the scatter reveals that the negative association results almost entirely from the inclusion of the more highly developed economies; among the less developed economies no consistent tendency is apparent in the pattern. By inference, the growth of the manufacturing sector is perhaps generally accompanied by a relative decline in the share of value added produced by the food, beverage and tobacco group. One reason for such performance may be the relatively low income elasticity of demand for food products as *per caput* incomes rise.[14] A contrary tendency is the shift of food preparation from the home into commercial establishments and the increased consumption of processed foods as urbanization and industrialization proceed.

The textile, garment and leather products group (including leather footwear) shows no clear tendency. The extremes—from fully two-thirds of manufacturing value added in Pakistan to a mere 2 per cent in West Malaysia — make generalization hazardous.[15] Economies as similar in respect of natural resources and the importance of entrepot trading as Hong Kong and Singapore reveal extreme differences in the importance of the textile and garment industries. The reliance of several countries upon access to foreign markets for the sale of textiles and garments doubtless helps to explain the wide variation in their significance in the manufacturing sector. Nevertheless, the median value among the less developed countries is only marginally greater than that of the three advanced economies in the region.

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[14] It is not clear that the same tendency appears in respect of beverages and tobacco products.

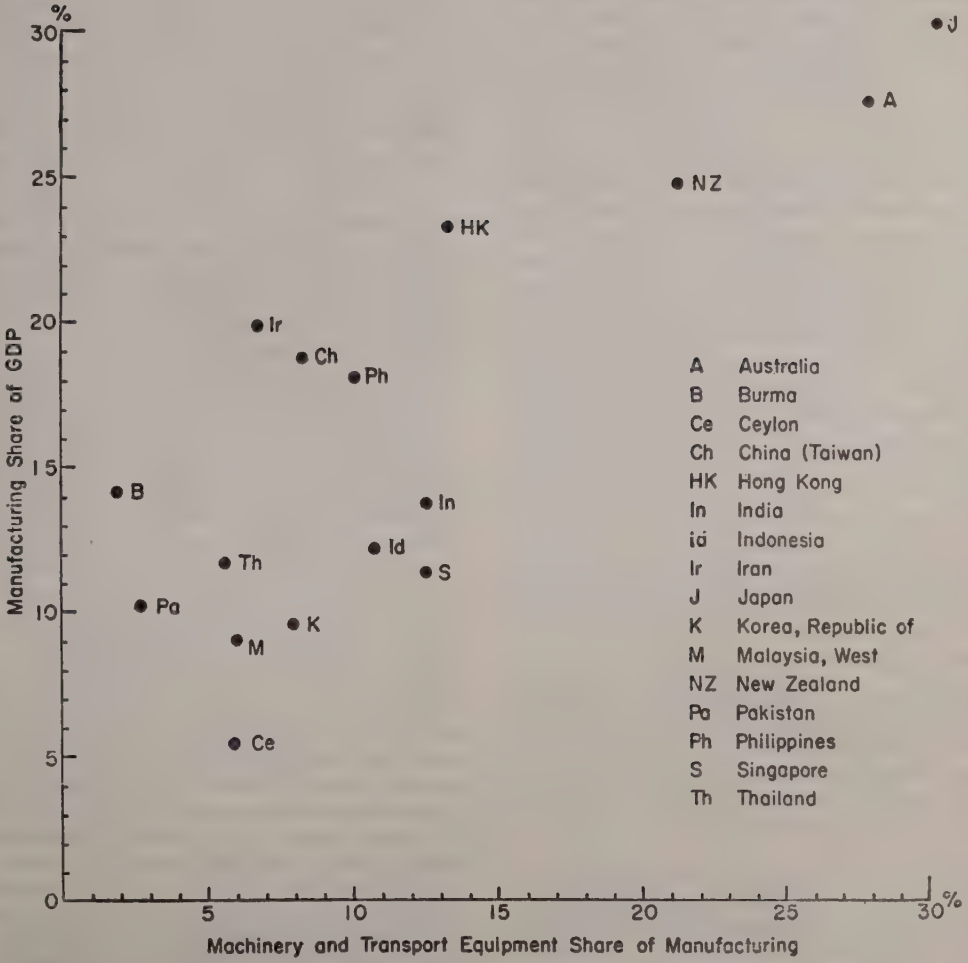
[15] Comparison with other years suggests that the textile group share for Pakistan is over-estimated. Year-to-year variations resulting from relative price changes and temporary fluctuations in output may limit the representativeness of these shares in any given year.

The rather heterogeneous industry group composed of wood products, furniture, paper products, printing and publishing generally tends to be larger in advanced than in under-developed countries. There is some indication that such a tendency prevails among the countries included in the table. Except for sawn timber and plywood a relatively large proportion of the total output of the industries in this group appears to go to final demand, predominantly consumer demand. Higher *per caput* consumption of paper products and published materials in developed countries reflects mainly the high income-elasticity of demand for these products.

The conglomerate groups, rubber and non-metallic mineral products and chemical and petroleum products, are too heterogeneous for meaningful generalization. In part their importance in particular countries depends on natural resources. Non-metallic mineral products include a large building materials component. Except for West Malaysia, where processing of natural rubber is included as a manu-

Chart II-2

Machinery Industries and the Relative Size of the Manufacturing Sector, 1960's



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facturing activity, the share of mineral and rubber products is relatively small—on average about 8 per cent of total manufacturing value added, or very little different from the average level shown by the three more highly developed countries in the region. Since petroleum products have been eliminated from the data for the three major producers of petroleum, comparability among countries for this group of industries may have been improved. If the high values for Ceylon and Burma are ignored as well, the mean percentage share is still significantly larger than that shown for the three advanced countries.[16]

The most striking difference between the structure of manufacturing in less developed and more advanced economies lies in the relative importance of the industry group comprising metal products and the engineering trades. A scatter diagram for the machinery (including electrical) and transport equipment group (chart II-2) shows a clear positive association between the size of the sector and the size of this industry group. Although a relatively large manufacturing sector may not have a large engineering component, a small sector in all probability cannot support one.[17] The characteristic constraints which explain this set of relationships include limitations on the size of the market and lower limits to efficient scales of production. While the relative under-development of the metals, machinery and transport equipment group reflects the inability of a less developed economy to produce its own capital and other durable goods, this is perhaps not the most meaningful interpretation of the facts. It is perhaps more important to recognize that neither consumer demand nor the demand derived from that for the products of other industries is generally sufficient to support an engineering industry which could produce more than a few lines of product at efficient scales of production. Thus it is less the inability to produce durable goods than the ability to produce manufactures in general which is the crucial issue.

The nexus between structural change and interdependence is a key consideration in the development process. Effective planning of industrial and general economic development requires recognition of the common patterns of interdependence and change and the particular adaptations appropriate to the resource endowment and market potential in each country.

### *Exports of manufactured goods*

The importance of manufactured exports to the growth of the whole economy on the one hand, and to the development of manufacturing on the other, is roughly indicated in tables II-15 and II-16. A comprehensive comparative study demands a more detailed survey than available data will allow.

An examination of exports as a percentage of gross product (table II-15) confirms the general observation that the importance of foreign trade reflects the economic size of a country rather than the level of its economic development. Thus countries with large aggregate outputs—Japan, India, Pakistan, Indonesia — depend quantitatively less on foreign trade than do countries with small aggregate products. Although this phenomenon is inadequately reflected by export/GDP ratios, an examination of the ratio of imports to GDP substantiates the generalization. It must, of course, be remembered that exports may well be extremely important to an economy even though they amount on average and at current prices to only a relatively small proportion of total product.

Exports of manufactures bulk large chiefly among the countries for which exports are small compared to aggregate output, that is, Japan, India, Pakistan and the Republic of Korea; Indonesia constitutes an exception. Exporters of primary products depend fairly heavily on export earnings, ranging from Australia and Burma with export/GDP ratios of around 15 per cent through Iran, New Zealand, and Ceylon in the 20 to 30 per cent range, to Malaysia with a ratio of nearly 50 per cent in 1965. In a few of these economies, exports of manufactures have been expanding rapidly and have begun to assume modest importance. Hong Kong, Singapore and, in some respects, China (Taiwan) represent circumstances rather different from the rest. Particularly in the cases of Hong Kong and Singapore, the limited resource base and the narrow domestic market dictate a kind of entrepot manufacturing in which imported inputs are further processed mainly for export. Similar constraints also exist in China (Taiwan). In Hong Kong and China (Taiwan) exports of domestically produced goods bulk large in comparison with total product and manufactures contribute half or more of these exports. The Singapore ratio of domestic exports to total product is relatively low, reflecting continued dependence of the economy on the entrepot trade; the exclusion of petroleum refinery products, sawn timber and processed foods and oils, however, has reduced the observed proportion of manufactures in total exports. In contrast, the larger economic size of China (Taiwan) explains the comparatively low ratio of exports to total product; much of the manufactured exports is, however, composed of entrepot manufactures.

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[16] The observed pattern is quite consistent with the more general finding reported by Professor Kuznets: " . . . it is significant that for such capital-intensive industries (mostly petroleum) the share in manufactures of under-developed countries is as high as or higher than, that in the developed countries;" *op. cit.*, p. 412.

[17] This appears from the fact that no point falls to the right below the approximate diagonal traced by highest group shares for each level of manufacturing share in gross product.

### Table II-15. Exports of manufactures, 1960-1965

| Country | Merchandise exports as per cent of GDP (at factor cost) | | Manufactured goods[*] in total merchandise exports (per cent) | | Average annual change in value of exports 1960-1965 (per cent) | |
|---|---|---|---|---|---|---|
| | 1960 | 1965 | 1960 | 1965 | Total | Manufactures |
| India | 4.5[d] | 4.2[d] | 45.1 | 48.0 | 5.1 | 6.5 |
| Pakistan | 5.4 | 5.0 | 27.1[1] | 36.0 | 7.4[1] | 16.7[1] |
| Korea, Rep. of | 1.5 | 6.5 | 14.1 | 61.0 | 41.2 | 102.8 |
| Indonesia | 8.8 | 7.1[3] | 0.7 | n.a. | –3.2 | n.a. |
| Burma | 16.9 | 16.0 | 2.4 | n.a. | 2.0[3] | n.a. |
| Philippines | 16.7 | 16.9 | 3.2 | 8.3 | 7.3[a] | 29.7[a] |
| Thailand | 16.8 | 17.6 | 1.4 | 2.0[b] | 9.0 | 17.0[b] |
| China (Taiwan) | 11.5 | 18.1 | 47.1[2] | 42.5 | 25.8 | 23.3[2] |
| Iran | 18.5 | 21.5 | 3.5 | 3.5[3] | 10.5 | 13.8[3] |
| Ceylon | 29.0 | 26.9 | 0.9 | 0.8 | 1.7 | 2.2 |
| Malaysia (West) | 55.8 | 45.1 | 4.2[b] | 8.9[b] | 1.4 | 14.8[b] |
| Singapore[c] | 11.4 | 14.1 | 51.4 | 48.8 | 13.3 | 12.1 |
| Hong Kong[c] | 51.3 | n.a. | 89.6 | 93.4 | 12.0 | 12.9 |
| Japan | 11.4 | 10.1 | 89.2 | 92.0 | 16.2 | 16.9 |
| Australia | 15.5 | 14.9 | 13.4 | 17.7 | 9.3 | 15.5 |
| New Zealand | 24.8 | 20.5 | 3.1 | 5.4 | 2.6 | 11.1 |

*Sources:* United Nations, *International Trade Statistics*, 1965; United Nations, *Yearbook of National Accounts Statistics*, 1965, and national sources. Hong Kong domestic product from *Far Eastern Economic Review*, vol. LII: 8, 26 May, 1966.

*Notes:* [*] SITC commodity sections 5 to 8.
[1] 1961 or 1961-1965. [2] 1962 or 1962-1965. [3] 1964 or 1960-1964.
[a] Compound rate to eliminate effect of non-comparable data for 1963.
[b] Excludes tin metal. [c] Excludes entrepot trade. [d] Net domestic product.

### Table II-16. Average annual change in manufactures and exports, 1960-1965

(*Per cent per year*)

| | Manufacturing | | Exports | |
|---|---|---|---|---|
| | Value added | Production index | Manufactures | Total |
| India | 7.3 | 7.0 | 6.5 | 5.1 |
| Pakistan | 6.5 | 12.6 | 16.7[1] | 7.4[1] |
| Korea, Rep. of | 13.3 | 12.3 | 102.8 | 41.2 |
| China (Taiwan) | 12.8 | 16.6 | 23.3 | 25.8 |
| Philippines | 7.4[b] | 5.9 | 29.7[a] | 7.3[a] |
| Thailand | 10.9 | — | 17.0[c] | 9.0 |
| Malaysia (West) | 15.6[d] | — | 14.8[c] | 1.4 |
| Iran | 8.8 | — | 13.8[3] | 10.5 |
| Ceylon | 8.4[e] | — | 2.2 | 1.7 |
| Singapore | 13.5[f] | — | 12.1[g] | 13.3[g] |

*Sources:* Table II-15 and national publications.

*Notes:* [a] Compound annual rate.
[b] Discontinuous series.
[c] Excludes tin metal.
[d] Excludes rubber processing.
[e] Excludes construction materials.
[f] Estimated.
[g] Excludes entrepot trade.
[1] 1961-1965. [2] 1962-1965. [3] 1960-1964.

The proportion of manufactured exports to total export varies considerably among developed and less developed countries. The accuracy of this comparison is open to argument because the definition of manufactured goods excludes a large part of processing activities.[18] The manufacturing share in some of the less developed countries is thus understated; this is undoubtedly the case for Indonesia and other countries which process primary products for export.

Despite this understatement, the relative importance of manufactured goods to total export values had become considerable in several countries by the middle of the decade. The distinction between traditional primary product exporters — Burma, Ceylon, Indonesia, Malaysia, the Philippines and Thailand — and the rest, is reflected in these data. But the growth of exports of manufactures which is apparent between 1960 and 1965 may well be more important for future development in some countries than the continued predominance of primary products exports.

The relative rates of growth of exports of manufactures and total exports suggest the dynamics of export growth. The contribution of manufactures to total exports, on the other hand, provides the necessary perspective for an evaluation of the importance of this growth of exports. The proportion of exports to gross product permits a broad assessment of the importance of exports to the growth of total output. Thus in the Republic of Korea, export expansion has evidently been important for income growth, and exports of manufactured goods have quite clearly made an important contribution to the process. In China (Taiwan), where manufactures bulked larger at the initial date, the growth of exports and income required the solid thrust of continued expansion of manufactured goods exports. In India and Pakistan, the sizable contribution of manufactured goods exports helped to offset a decline in other exports.

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[18] Standard International Trade Classification, commodity section 5: chemicals, 6: manufactured goods classified chiefly by material, 7: machinery and transport equipment, and 8: miscellaneous manufactures. This excludes manufactured food, beverage and tobacco products, sawn timber, petroleum refinery products, refined vegetable oils and the like.

Although the proportion of gross manufacturing output which goes to overseas markets is not generally known, it is possible to infer changes in this proportion for several countries by comparing the growth rates of production and export of manufactured goods. This in turn directs attention to the relationship between export expansion and the growth of manufacturing.[19] Here, no general causal relationship can be asserted. In countries for which the rate of export growth of manufactures exceeds that of manufactured goods production, it is possible that the growth of exports provided an impulse for the expansion of production. It is also possible that such an impulse could have been imparted even though exports had grown at a lower rate than manufactures as a whole. As regards the composition of manufacturing, the expansion of exports of manufactures at a greater rate than total manufacturing production may simply reflect a shift in the structure of manufacturing unaccompanied by expansion on a broader base. Such might well be the character of enclave manufacturing; much of the mushroom growth of entrepot manufacturing is probably extremely ineffective in the creation of linkages with other industries. It is necessary, therefore, to consider more evidence than is provided by comparative rates of growth before an assessment is made of the importance of export expansion to the growth of manufacturing.

In the five countries for which production indices are available, the growth rate of manufactured goods exports exceeded that of manufacturing production in all but India during 1960-1965. At the same time, exports of manufactures grew more rapidly than total exports in all five countries. It may be possible to infer what is fairly obvious from other, mainly qualitative evidence, that exports provided an important impulse for industrial expansion in China (Taiwan), the Republic of Korea and Pakistan. With minor exceptions, the limited share of exports in the growth of manufacturing output in the Philippines means that the same conclusion is probably unwarranted. Ceylon's exports of manufactures are minuscule; in Iran no measurable expansion in the share of manufactures exports appeared between 1960 and 1964. Exports of manufactures from Thailand expanded at a high rate but apparently remained a minor part of total manufacturing output.[20] For Malaysia, the data do not indicate an export-stimulated expansion; in the event this is probably a fair reflection of reality. Whereas the export orientation of a large part of Hong Kong industry is unmistakable, the same inference is not applicable to Singapore. Expansion of export demand has indeed been the determining factor for several Singapore industries —textiles and garments (still relatively small in total value), rubber footwear, veneer and plywood, sawn timber and some metal and electrical products. Still, exports as a share of total sales of manufactured goods declined slightly between 1960 and 1965.[21] Similarly, the data in table II-15 indicate that exports of manufactured goods also declined slightly as a share of total domestic exports between 1960 and 1965.

### *Production and export of textiles*

To be operationally useful, an assessment of the importance of external markets for the growth of manufacturing production must be on an industry or product-group basis. Considerations relevant to policy making will emerge from the examination of an important export industry. The information concerning the structure of manufacturing makes clear the important place occupied by textile production in most of the countries of the region.[22] Except in those with extremely small domestic markets, most of the output of the textile industry is generally absorbed by domestic demand. Even in such cases, however, the expansion of exports may be of considerable importance to the industry as a whole and particularly to specific textile products.[23] During the past decade or more, the expansion of Asian textile exports has taken place under the constraint of quota arrangements imposed by the advanced countries. In the aggregate these countries absorb fully half the textile exports from developing Asia. The purpose of the present section is to attempt an assessment of the importance of external demand for the growth of the textile industries in several countries of the ECAFE region. No attempt is made to analyse the determinants of this demand.

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[19] Strictly speaking the comparisons are permissible only for the five countries for which industrial production indices are published. For those for which only changes in value added by manufacturing are available, comparison of rates of change in value added with those of exports rests on the assumption of constant proportions of value added to gross value of production.

[20] Tin smelting, which commenced only in 1965, has been eliminated from the comparison.

[21] Singapore, *Census of Industrial Production,* 1960 and 1965, details of sales.

[22] Little justification is required for the selection of the textile industries for particular attention. Among the developing countries for which data are available to show the structure of manufacturing, the textile and garment industries are among the three largest industry groups in terms of value added in all but Singapore and West Malaysia. The importance of these industries is relatively greater in terms of employment. Although the structural detail is obscured by the classification used in table II-14 above, this industry group generally ranks second to the food, beverage and tobacco group, which in any case is not typically export-oriented. The textile export shares shown in table II-17 below clearly suggest the importance of the textile product group in the export of manufactured goods.

[23] For example, jute manufactures in India and Pakistan. As intermediate goods, however, demand for jute products is more sensitive to variations in the output of agricultural products than is the case with most other textiles which are more responsive to variations in consumer demand or to interindustry demand from garment manufacture.

Table II-17. Selected ECAFE countries: share of textiles in manufacturing output and share of textile exports in exports of manufactures, 1960-1966

(*Per cent*)

| | *1960* | *1963* | *1965* | *1966* |
|---|---|---|---|---|
| India | | | | |
| Production share . . | 38.6 | 35.5 | 33.7 | 31.6 |
| Export share . . . | 77.6 | 75.2 | 71.5 | 70.0 |
| Pakistan | | | | |
| Production share . . | 32.4[1] | 30.6 | 26.8 | 26.2 |
| Export share . . . | 83.8[1] | 80.0 | 79.7 | . . . |
| Korea, Rep. of | | | | |
| Production share . . | 29.1 | 23.1 | 15.8 | 24.2 |
| Export share . . . | 53.3* | 19.7 | 24.6 | 22.5 |
| China (Taiwan) | | | | |
| Production share . . | 13.2[1] | 11.7 | 10.2 | 9.5 |
| Export share . . . | 28.6[1] | 26.0 | 23.0 | 22.8 |
| Hong Kong[2] | | | | |
| Export share: | | | | |
| Textiles . . . . | 21.6 | 18.5 | 17.8 | 17.0 |
| Garments . . . . | 39.3 | 39.4 | 37.7 | 37.7 |

*Sources:* United Nations, *International Trade Statistics*, and national publications.

*Notes:* Production share: Per cent of manufacturing output contributed by textiles production.

Export share: Per cent of exports of manufactures contributed by textile products.

* Total manufactures exports small.

[1] 1961.

[2] No production index available.

The importance of external markets which provide vent for surplus textile production is probably not due to the exploitation of scale economies in the usual sense of the term. Scale is more likely to be pertinent to the balance of capacities among the major processes — spinning, weaving, dyeing and finishing. The extent of the market, which limits the size of a man-made fibre textile industry, is a crucial determinant of the feasibility of plants producing synthetic and regenerated fibres and filaments and the chemical compounds which are their major inputs. Similarly, the size of the spinning, weaving and knitting branches of the industry determines the feasibility of establishments manufacturing textile machinery. Among the less-industrialized countries in the region, only India produces a significant range of textile machinery; China (Taiwan), and the Republic of Korea produce a limited variety of simple machinery and parts.

A study of the contribution of export demand to the growth of even a single industry such as textiles is hindered by the lack of data for the total value of production. For four of the five major textile exporters among the less-developed countries of the region, the existence of production indices makes possible a crude assessment of the relative importance of textiles in total manufacturing. These may be compared with textile export shares derived from trade statistics. Reference to earlier tables showing the shares contributed by manufacturing to domestic product and exports of manufactures to total exports provides the perspective from which to view the information in table II-15.

Unfortunately, it is not possible to provide the direct link between textile production and export values for all five countries. Estimates of this relationship for China (Taiwan) and the Republic of Korea, however, are presented in table II-20 below.[24]

Manufacturing output increased during the first half of the sixties, though at varying rates. On the whole, textile production has developed relatively less rapidly[25] and in consequence its share has generally declined. Garment manufacture, by contrast, expanded smartly in these countries, increasing its share in total manufacturing output. Except for Hong Kong, however, the garment industry contribution was small in 1960. Exports of textile products expanded with the growth of manufacturing exports but generally at a somewhat lower rate than the total. Exceptions appeared in India early in the decade and in the Republic of Korea, where textile products led the expansion of exports of manufactured goods through 1964. The export of garments accounted for an increasing share of manufactured exports from China (Taiwan) and the Republic of Korea during the most recent years.

It is plainly impossible to assess the role of export markets in the expansion of production (or its absence) on the basis of such information. One may, however, attempt such an assessment with the help of production figures for particular products. Although cotton textiles have lost some ground to fabrics of man-made fibres, cottons generally remain the most important textile product group in the less industrialized countries of the region. A review of the evidence from the current decade concerning the production and export of cotton textiles suggests, though it does not precisely measure, the relative importance of cotton textile exports to changes in the volume of cotton textile production. In all five of the major cotton-textile producing countries, it appears that export demand is an important, though not necessarily the major, determinant of the volume of production. Summarized measures of production and export relationships are presented in table II-18.

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[24] A word of caution is required for the interpretation of the production-share figures. The percentage estimates have been derived from production indices; the changes are therefore based on output volume. The base-year weights of the indices, however, have been derived from the shares of value added by textile manufacturing in total manufacturing value added. Any difference in the textile share of value added from the textile share in total value of manufacturing output in the base year introduces a bias which may vary from year to year in each country.

[25] Except in the Republic of Korea, where the share of textiles in total manufacturing output rose in 1964 and 1965 only to decline in 1966 and probably also in 1967.

Table II-18. Selected ECAFE countries: production and exports of cotton textiles, 1960-1965

| | Production of cotton fabrics 1965 (million metres) | Ratio of exports to production (per cent) | | Growth rate 1960-1965 (per cent per annum) | | Export share of production increment, 1960-1965 (per cent) |
|---|---|---|---|---|---|---|
| | | 1960 | 1965 | Production | Export | |
| India[1] | 4,588 | 13.8 | 11.0 | –0.1 | –4.4 | ...[5] |
| Pakistan [1, 2] | 632 | 8.9 | 29.8 | 1.3 | 24.0 | 287 |
| Hong Kong[3] | 543[4] | 67.6 | 72.0 | 7.1 | 8.4 | 83 |
| China (Taiwan) | 230 | 45.6 | 49.7 | 5.5 | 7.3 | 63 |
| Korea, Rep. of | 190 | 9.1 | 51.8 | 6.6 | 50.9 | 166 |

*Source:* National publications. Original data in physical units.

[1] Mill production. [2] Terminal year, 1966/67.

[3] Registered mills. [4] Million square metres.

[5] The 460-per cent (negative) contribution of export decline to the fall in production, 1960-1965, is misleading. Exports were large in the initial year and neither exports nor production declined continuously over the period.

In India, mill production of cotton fabrics has declined irregularly since 1960. Several causes contributed to this decline, particularly in the most recent years—raw cotton shortages, rising production costs, domestic consumer resistance and, since 1964, falling exports. Though exports absorbed only 10 or 11 per cent of cotton fabric production each year, the decline in exports from 1964 to 1966 was nearly one-fifth of the decline in production; of the output decline in 1961-1963, exports contributed one-seventh. Rising production costs, which created a disparity between domestic and world prices, and the elimination of export subsidies after devaluation in 1966, are cited as reasons for the unsatisfactory export performance.[26] Production of fabrics in the small-scale sector appears to have increased modestly over the period, with a minor decline in 1965. Exports from this sector amount to only some 5 per cent of output; export sales declined in 1966 and probably fell further in 1967.

The output of cotton fabrics in Pakistan has increased each year since 1960 except in 1965 when supply shortages intervened. Exports rose continuously from 1961, encouraged by the Government's export bonus scheme, and accounted for nearly 30 per cent of total production in 1966; liberalization of the United States quota from 1967 should help to sustain the expansion. The incremental contribution of exports shown in the table exaggerates only slightly the incremental share recorded for 1961-1964, a period of continuous increase in both production and exports. In sum, it would appear that export expansion has been an important cause of the production increase in cotton fabrics.

In both Hong Kong and China (Taiwan), much of the production of cotton fabrics is entrepot manufacturing; major inputs are imported to be transformed into semi-finished and finished products for export. Exports during the first half of the sixties absorbed on average 70 per cent of Hong Kong's yearly cotton fabric output. In China (Taiwan) the corresponding share was lower, rising from two-fifths to half of total output volume. It is quite apparent that export demand is the primary determinant of the growth of the cotton textile industry in Hong Kong. Indirect demand for cotton fabrics for garments and made-up textile products, the largest part of which are exported, provides an additional export-determined fillip to the demand for the industry's output. More than four-fifths of Hong Kong's textile and garment exports (by value) go to the advanced countries of Europe and North America, chiefly under quota arrangements; hence the expansion of the industry is heavily dependent upon policy considerations. While similar considerations affect textile and garment exports from China (Taiwan), more than half this export (in value terms and including other than cottons) goes to less developed countries; fully one-fourth of the total is sold in the United States market. The production of cotton fabrics in China (Taiwan) increased strongly during the sixties with only a minor decline in 1965. Exports of cottons advanced almost without pause during the same period; a marginal decrease occurred in 1962 and the pace of expansion slackened in 1965; in 1966 exports increased by fully one-third. Over the period 1960-1965, with an annual rate of increase in exports one-third higher than that of production, external demand accounted for three-fifths of the increment in output; the inclusion of 1966 doubles the incremental contribution from exports. Even disregarding the export-oriented garment production using domestically produced cotton fabrics, the growth of cotton-fabric production is seen to be largely export-determined.

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[26] Absence of export incentives since mid-1966 obviously cannot explain the previous fall in exports.

The explosive expansion of cotton textile exports from the Republic of Korea reflected in table II-18 arose in large part from the diversion of capacity from domestic to export markets. Output continued to expand until 1965; the increase in exports accounted for considerably more than the total increase in production. Imposition of quota restrictions by the United States in 1964 encouraged diversification of external markets but the volume of exports fell by nearly one-eighth between 1965 and 1966, or about three-fifths of the decline in production. Reports for the first ten months of 1967 show appreciable recovery in both production and exports. During the first half of the decade the export share of annual production rose from about 9 per cent to over 50 per cent. Although the increase in exports from 1960 through 1965 exceeded the expansion in cotton textile output, it appears that the domestic market has not ceased to grow. In addition to consumer demand, expansion of the garment industry provides an additional source of demand for cotton fabrics. Because of the more rapid rate of expansion of other industries, the share of textiles (and cotton textiles *a fortiori*) in total value added by manufacturing declined from one-fourth in 1960 to 15 per cent in 1966. As the industry shifts from cottons towards synthetics, cotton will continue to lose in relative importance. The contribution of cotton spinning and weaving to textile value added declined from nearly one-half in 1960 to less than one-third in 1966. Even on the assumption that some recovery of export demand may occur and that intermediate demand may increase, cotton textiles will presumably continue to lose relative importance as industrial development proceeds.

The production of *cotton yarn* for export constitutes a relatively unimportant part of the total in the five countries considered above. In India, though cotton yarn exports have more than doubled since 1960, the share of production is fairly insignificant. Cotton yarn exports from the Republic of Korea are negligible; Hong Kong and Pakistan export some 10 or 11 per cent of their output and China (Taiwan) a slightly larger proportion. Production thus responds mainly to the demand from domestic weaving and knitting mills; export markets appear to provide vent for surplus production. To the extent, however, that cotton woven fabrics and knitted goods are produced for export, demand for cotton yarn production is indirectly influenced by export markets and their changes.

The competition of textiles and garments of *man-made fibres*, whether domestically produced or imported, has been felt by the cotton textile industries of most countries of the region. Though fabrics of synthetic and regenerated fibres are produced in several of the developing countries, comparable production and export data are available only from India. Between 1960 and 1966 India's production of man-made fibres and fabrics increased almost continuously at rates of 12.6 and 8.0 per cent per annum, both relatively greater than the corresponding rates for cotton. By 1965 the volume of man-made fibre production was about one-twelfth as large as the production of cotton yarn; synthetic fabrics production was nearly one-fifth the size of mill-made cotton fabric output in the same year. Exports of Indian synthetic fabrics amounted to nearly 7 per cent of production in 1960, rising to nearly 14 per cent in 1962 and declining to less than 5 per cent by 1965. The volume of exports rose from 1960 through 1963 and declined thereafter. Although fully half of the increase in production in the period of rising exports was accounted for by external demand, the continued growth of output has been in response to domestic demand.

In both India and Pakistan *jute manufactures* comprise the largest export commodities among the products of the textile industry. During the first half of the present decade, Pakistan's production and exports of jute textiles increased at rates exceeding 10 per cent per year, though the expansion was interrupted in 1964. Since more than three-fourths of the output of jute textiles is exported, external markets are the main determinant of the industry's growth, subject to the availability of adequate supplies of raw material. Exports appear to have grown more

Table II-19. India and Pakistan: production and export of jute manufactures, 1961-1966

| | *Production of jute manufactures 1966 ('000 mt)* | *Ratio of exports to production (per cent)* | | | *Growth rates (per cent per annum)* | | | | *Export share of production increment (per cent)* | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | *1961* | *1964* | *1966* | *1961-1964 Production* | *1961-1964 Export* | *1964-1966 Production* | *1964-1966 Export* | *1961-1964* | *1964-1966* |
| India . . . . . . . . | 1,120 | 76.2 | 78.6 | 66.5 | 8.5 | 9.6 | –6.2 | –13.7 | 87 | (–)168 |
| Pakistan[1] . . . . . . | 409 | 81.4 | 75.5 | 77.3 | 9.9 | 7.2 | 11.2 | 12.6 | 57 | 85 |

*Source:* National publications.

*Notes:* Original data in metric tons.

[1] Selected years are 1960/61, 1963/64 and 1965/66.

rapidly than production since 1963 or 1964. The share of exports in the increase of total production thus exceeds that of the first three years and suggests an increasing degree of dependence upon exports. Preliminary export figures for 1966/67 show an even sharper rise, while production declined slightly as a result of a shortage of raw jute supplies.

The production of jute manufactures in India is similarly export-oriented and subject to similar supply constraints. Output increased irregularly from the early sixties with a minor reduction in 1964 and a fall of some 16 per cent in 1966, in part the consequence of the shortage of raw jute. Whereas exports had risen each year from 1961 to 1964 and accounted for most of the increment in production, the decrease in export volume in 1964-1966 exceeded the net decline in output. The selection of dates perhaps exaggerates the influence of export demand on production; the two series moved in opposite directions in 1964 and 1965. Between 1965 and 1966, when stocks of jute products remained virtually unchanged, the fall in exports amounted to 85 per cent of the decline in output volume. Exports were subject to increased competition from other sources of jute textiles, from Pakistan in particular, and from synthetic substitutes. In part at least, the price advantage accruing from devaluation in 1966 was lost by the effective imposition of taxes on exports of jute manufactures. Somewhat milder taxation of exports in 1967/68 may help to encourage exports while improved harvests will undoubtedly increase domestic demand for jute packing materials as well as the supply of raw jute.

*All textiles*. A more comprehensive picture of the relationship between the production and export of textiles can be sketched for China (Taiwan) and the Republic of Korea, since estimates of the value of their textile production are available for comparison with export values. In China (Taiwan) the total value of textile output (corrected for price changes) expanded at a rate of more than 11 per cent per annum during 1960-1965. During the same period, textile export values (at constant prices) increased at an annual rate of more than 18 per cent. When the period is sub-divided, however, the differences between export and production growth rates suggest that the major influence of export expansion was felt before 1963. The data summarized in table II-20 show that exports of textiles grew markedly more rapidly than production between 1960 and 1963. Between 1963 and 1965, export expansion decelerated markedly, while the growth in the total value of textile output accelerated.[27] Thus the contribution of exports to textile demand amounted to three-fifths of the total in the earlier period but to less than 10 per cent in the years 1963-1965.

Table II-20. China (Taiwan) and the Republic of Korea: textile production and exports, 1960-1965

*(Percentage)*

| | *Export/production* | | | *Annual growth rates* | | | | *Incremental share* | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | *1960-1963* | | *1963-1965* | | | |
| | *1960* | *1963* | *1965* | *Exports* | *Production* | *Exports* | *Production* | *1960-1963* | *1963-1965* |
| China (Taiwan) . . . . . . . | 13.3 | 22.3 | 18.4 | 26.8 | 6.9 | 7.1 | 17.8 | 62.5 | 8.4 |
| Korea, Rep. of . . . . . . . | 1.8 | 3.9 | 12.4 | 47.3 | 14.8 | 83.7 | 2.8 | 7.9 | 165.1 |

*Source:* National publications.
*Note:* Based on values at constant prices.

By implication, the domestic market absorbed a much larger share of a much greater increase in textile output in 1963-1965 than had been the case in 1960-1963. A large part of the increase in the dependence of the textile industry on domestic demand reflects the even more rapid growth of the garment industry. Between 1961 and 1964, the value of output of this industry trebled while its exports increased nearly fourfold.[28] From the incomplete information presently available it may be inferred that perhaps one-tenth or more of the output of the textile industry was consumed as inputs into the manufacture of garments, and the incremental share of textile production accounted for by the garment industry was considerably greater. Thus an additional portion of the expansion of demand for textiles was indirectly determined by export demand via the increase in garment exports.

For the Republic of Korea, the pattern of production and export of textiles is rather different. Exports of textiles bulked less large as a proportion of total output during 1960-1965, reaching about one-eighth of the total in 1965, or slightly smaller than the corresponding proportion for China (Taiwan) in 1960. Textile output expanded at an annual rate of 9.8 per cent and exports at 61 per cent per year, the latter markedly more rapid than in China (Taiwan). More important to the dynamics of the production-export relationship, however, were the different patterns in the two sub-periods. While in China (Taiwan) the expansion of production continued to accelerate in response to increased domestic demand (final and intermediate), in the Republic of Korea exports accounted for an increasing share of the increment to a total output which was growing less rapidly in the later years of the period. Domestic demand in the Republic of Korea was apparently levelling off by 1965.[29] Though no recent information concerning inter-industry demand for textile products is available, it appears that the growth of this source of demand may have been lagging. The export of garments has increased extremely rapidly in the last three or four years, from a rather small base. Garment exports accounted for 90 per cent of the output of the garment industry in 1965. Although export values nearly equalled those of textiles in 1966, the garment industry apparently depends less heavily upon the output of the textile industry than in the case in China (Taiwan).[30]

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[27] Exports of textile products (including garments) rose sharply in 1966 and continued to increase rapidly in 1967.

[28] Exports of clothing increased sixfold between 1960 and 1965; the share of clothing exports in total production rose irregularly from one-fourth in 1961 to three-fifths in 1965. (References are to values at constant prices.)

The foregoing survey of the importance of export markets for the growth of the textile industry in the few countries for which data are available is little more than an exploratory effort. The prevalent emphasis among the developing countries of the region upon the expansion of exports of manufactured goods requires more thorough analysis. The statistical materials necessary for a study of textile and other important manufactured exports should permit an assessment not only of export and domestic consumer demand but of intermediate demand as well.

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[29] This was clearly the case with cotton textiles, which constituted nearly half of total textile output in 1963 but only about one-third in 1966. To some extent cottons are being replaced by fabrics of man-made fibres.

[30] This is the combined result of the relatively smaller size of the garment industry *vis-a-vis* the textile industry and of the composition of output of the garment industry, which is dominated in the Republic of Korea by woollen knitted goods.

## Chapter IV

# INTERNATIONAL TRADE AND PAYMENTS

Quantitatively, the most striking feature of the recent foreign trade of the developing ECAFE countries is the contrast between the growth rates of exports and of imports. Exports in the first half of 1967 were 2.4 per cent higher than in the first half of 1966 (table II-21). Imports grew between the same periods by almost 22 per cent.

Comparisons between the corresponding parts of successive years are suitable for exports of largely agricultural countries. In imports, the seasonal factor is less pronounced and it is better to follow their drift through consecutive time. Omitting Singapore because of the re-export content of its trade, it appears that the steep jump in imports occurred between the two halves of 1966. Imports in the second half were 17 per cent higher than in the first half. By June 1967, they had only grown by another 5 per cent.

The rate of growth of exports is well below the average annual rate of 4.4 per cent between 1960 and 1966. Imports, on the other hand, grew much faster than the 6 per cent per year between 1960 and 1966.

These calculations add together national experiences which were so conflicting as to make the regional basis quite uninformative. Excluding Singapore once again, five countries had a combined increment of exports between the first halves of 1966 and 1967 which amounted to $254 million and was, therefore, about two and a half times as great as the net regional increment of $107 million.[1] These countries — Hong Kong, China (Taiwan), Pakistan, Thailand and the Republic of Korea — are also the only ones with significant absolute increases in exports. Cambodia, Sabah, Sarawak and the Republic of Viet-Nam registered small rises and the remaining countries of the region had stagnant or declining exports. With the addition of the Philippines, these five countries also exhaust the list of those whose exports grew significantly between 1965 and 1966.

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[1] Apart from Singapore, Afghanistan and Nepal are excluded for lack of information.

Table II-21. Developing ECAFE countries: recent changes in foreign trade

| | *GDP at 1960 market prices, annual rate of growth (1960-1966)* | *Exports* | | *Imports* | | *Trade gap (million US$)* | | | | *Share of exports[a] in GDP* | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | *Rate of growth 1960-1966 annual in per cent* | *Per cent change 1967 over 1966, 1st halves* | *Rate of growth 1960-1966 annual in per cent* | *Per cent change 1967 over 1966, 1st halves* | *1960* | *1966* | *1967 1st half* | *1967 annual based on 1st half* | *1960* | *1966* |
| Brunei | ... | –1.9 | 5.6 | 17.9 | *–7.4* | 64 | 23 | *13* | 26 | ... | ... |
| Burma | 2.3 | –2.6 | –25.8 | –8.1 | –4.5 | –34 | 36 | 9 | 18 | 18.0 | 16.5 |
| Cambodia | 4.6 | –0.7 | 34.5 | 2.6 | –19.7 | –25 | –44 | –10 | –20 | ... | 17.4 |
| Ceylon | 3.3 | –1.3 | –10.3 | 0.6 | –3.4 | –27 | –69 | –26 | –52 | 31.0 | 26.4 |
| China (Taiwan) | 9.8 | 21.8 | 16.9 | 13.1 | 11.0 | –133 | –87 | *–21* | –42 | 11.7 | 18.4 |
| Hong Kong | ... | 11.5 | 22.8 | 9.5 | 19.2 | –337 | –443 | –228 | –456 | ... | ... |
| India | 2.8 | 3.2 | –6.6 | 3.3 | –3.4 | –996 | –1215 | –674 | –1348 | 5.3 | 4.0 |
| Indonesia | 2.4 | –3.5 | –0.6 | 0.1 | *0.0* | 263 | 96 | *93* | 186 | ... | ... |
| Iran | 6.4 | 7.6 | –6.1 | 6.0 | 16.8 | 189 | 379 | 123 | 246 | 20.2 | 22.2 |
| Rep. of Korea | 7.5 | 40.1 | 19.7 | 13.0 | 37.0 | –311 | –466 | –271 | –542 | 3.3 | 10.3 |
| Laos | ... | *–6.5* | *0.0* | 23.1 | *0.0* | –11 | –42 | –22 | –44 | ... | ... |
| Malaysia | | | | | | | | | | | |
| West Malaysia | 6.1 | 1.1 | –4.6 | 3.4 | 3.4 | 253 | 159 | 49 | 98 | 52.6 | 42.3 |
| East Malaysia: | | | | | | | | | | | |
| Sabah | ... | 8.2 | 27.1 | 9.8 | –3.6 | 9 | 5 | 7 | 14 | ... | ... |
| Sarawak | ... | –1.0 | 12.3 | 3.7 | 4.8 | 22 | –21 | –5 | –10 | ... | ... |
| Pakistan | 5.3 | 7.3 | 9.9 | 5.5 | –5.3 | –261 | –299 | –275 | –550 | 5.4 | 5.4 |
| Philippines | 5.0[b] | 6.9 | –6.0 | 6.3 | 27.3 | –103 | –119 | –163 | –326 | 19.5 | 21.3 |
| Singapore | ... | –0.5 | 4.1 | –0.1 | 11.6 | –196 | –226 | –167 | –334 | ... | ... |
| Thailand | 7.2 | 9.3 | 6.3 | 17.1 | *42.1* | 45 | –472 | *–326* | –652 | 17.6 | 20.5 |
| Rep. of Viet-Nam | 5.1 | –10.9 | *118.2* | 22.5 | 269.2 | –154 | –768 | –707 | –1414 | 7.5 | 6.9 |
| Western Samoa | ... | –6.3 | –16.0 | 1.3 | 8.1 | –1 | –3 | –2 | –4 | ... | ... |
| Total developing ECAFE | 4.1 | 4.4 | 2.4 | 6.0 | 21.5 | –1833 | –3577 | –2603 | –5206 | ... | ... |

*Sources:* ECAFE secretariat, from United Nations and national sources.

[a] Export of goods and services.

[b] 1962-1966: revised national product estimates.

Table II-22. Developing ECAFE countries: imports, 1966 and 1967

*(in million US dollars)*

| Region/Country | 1966 | | | 1967 | |
|---|---|---|---|---|---|
| | *First half* | *(increase)* | *Second half* | *(increase)* | *First half* |
| Developing ECAFE region[a] | 6,100 | (1,015) | 7,115 | (361) | 7,476 |
| Republic of Viet-Nam | 198 | (415) | 613 | (118) | 731 |
| Hong Kong | 802 | (163) | 965 | — | 956 |
| Thailand | 513 | (140) | 653 | (76) | 729 |
| Republic of Korea | 300 | (116) | 416 | — | 411 |
| Indonesia | 242 | (99) | 341 | — | 242 |
| Philippines | 446 | (65) | 511 | (57) | 568 |
| Pakistan | 419 | (62) | 481 | (128) | 609 |
| China (Taiwan) | 281 | (61) | 342 | — | 312 |
| Total: eight countries | 3,201 | (1,121) | 4,322 | (236) | 4,558 |

*Source:* ECAFE secretariat.

[a] Excluding Afghanistan, Nepal and Singapore.

The great burst of imports occurred in 1966. Between the two halves of the year, imports rose by $1,015 million and over four-fifths of this increase was accounted for by the Republic of Viet-Nam, Hong Kong, Thailand and the Republic of Korea (table II-22). Between the second half of 1966 and the first of 1967, the increase in imports of the Republic of Viet-Nam was almost 33 per cent of the total regional increase, and further sizable increases were in India and Pakistan (about $120 million for each).[2] These countries along with Thailand and the Philippines contributed more than the net total.

The group of successful exporters has been constant in membership for some time. It includes the east Asian economies which have been particularly stimulated by the demands emanating from the war in Viet-Nam. Countries under the same influence also contributed heavily to the burst of imports in 1966 and 1967.

The residual aggregates of exporters and importers showed, on balance, a decline of exports and more or less stagnant imports. With the exception of Thailand and Hong Kong, all the most export-dependent countries of the region — Ceylon, Iran, Malaysia and the Philippines — saw their exports fall in the first half of 1967.

### *Trade and growth*

The trade deficit[3] of the developing ECAFE region rose to an annual rate of $5,206 million in the first half of 1967 compared with a deficit of $3,577 million in 1966, which was already almost twice the deficit of 1960 (table II-21).

The trade deficit of all developing areas decreased from $2,700 million in 1960 to $1,900 million in 1966 but increased again in the first half of 1967 to an annual rate of $2,250 million. The deficit of the developing areas is very much influenced by the petroleum-exporting countries. The trade surplus of all western Asian countries together rose from $960 million in 1960 to $1,570 million in 1966 and to an annual rate of $2,100 million in the first half of 1967. Excluding west Asia, the trade deficit for all developing countries was $3.66 billion in 1960, $3.47 billion in 1966 and reached an annual rate of $4.35 billion in the first half of 1967.[4]

In 1966, only Brunei, Burma, Indonesia, Iran and Malaysia had favourable trade balances. Burma achieved this by massive import controls, which may have hampered economic growth. Indonesia, having liberalized imports to a large extent in 1966, then launched a stabilization programme which affected imports and industrial production adversely.

In 1966, the trade of Cambodia and Ceylon moved from surplus into deficit, and the deficits increased in Hong Kong, the Republic of Korea, Thailand and the Republic of Viet-Nam. In the last two countries, military and related aid financed large additions to imports. For the third successive year, the Indian deficit was well over $1,000 million, financed largely through aid. Over one-third of the regional deficit was thus accounted for by India. After a slight decrease in 1966, the Indian deficit, in the first half of 1967, again rose to an annual rate of $1,348 million while the deficit in the Republic of Viet-Nam more than doubled to an annual rate of $1,414 million. These two countries therefore accounted for over 50 per cent of the consolidated regional deficit in the first half of 1967.

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[2] The sharp increases in the imports of Pakistan in the year 1966 as well as in the first half of 1967 were mainly in the nature of a recovery after the severe restrictions of late 1965 and early 1966. Imports during 1966/67 still fell short of the more normal preceding year of 1964/65.

[3] Exports f.o.b. minus imports c.i.f.

[4] International Monetary Fund, *International Financial Statistics*, February 1968.

Taking the region as a whole, international transfers of resources more than met the trade gap: there was an addition of about $475 million to the region's liquidity as at the end of 1966. The major gains were recorded by Thailand ($185 million) and the Republic of Viet-Nam ($128 million). Other gaining countries include the Republic of Korea ($99 million), Malaysia ($41 million) and China (Taiwan) ($37 million) while losses were recorded by Ceylon and Pakistan.

Thailand ($119 million), China (Taiwan) ($79 million) and the Republic of Korea ($59 million) continued to accumulate reserves to the end of the third quarter of 1967 at which point the region's liquidity stood $140 million above the end-1966 level. Malaysia ($85 million), India and Pakistan ($29 million each) and Burma ($21 million) all had to run down their external liquid assets.

The rate of growth of aggregate GDP in the ECAFE region between 1960 and 1966 was 4.1 per cent. Imports rose much faster, at 6 per cent and the elasticity of imports with respect to income was 1.46, or somewhat higher than the United Nations had projected on the assumption of a higher rate of income growth (5 per cent) for all developing countries.[5] An important factor in the excess of the rate of growth of imports over that of income is that a deficient domestic production of foodstuffs made it necessary for several countries to rely heavily on imports. This was particularly the case in 1965 and 1966. As a percentage of total imports, food imports in India increased from 16 per cent in 1960 to 32 per cent in 1966 with a corresponding decline of capital goods imports from 43 per cent to 36 per cent. In the same period, Ceylon increased its proportion of food imports from 38 per cent to 47 per cent of total imports. Meanwhile, food imports in Hong Kong, Indonesia, Laos, Malaysia and Singapore remained large. Food imports largely determine what resources can be used for importing capital goods. In the short run, therefore, economic growth will depend heavily on the success of countries in expanding agricultural production, mainly of food.

During 1960-1966, exports also grew at an average annual rate in excess of the growth rate of income, 4.4 as against 4.1 per cent. The slower growth in exports as compared to imports, 4.4 against 6 per cent, is partly due to defence imports which have no direct relation to the behaviour of the economies. For the rest the gap between the growth rates cannot continue during the coming years of economic development except on the basis of very sizable increases in outside assistance.

### *Trade in primary commodities*

While 1966 was on balance a worse year for Asian primary commodity exports than 1967, conditions on the world market in the latter year exerted considerable pressure on the primary commodity exporters of the developing ECAFE region. In terms of prices alone, commodities primarily for food (including coconut products) behaved much better in 1967 than primary commodities for industrial use. The commodities for industry are particularly vulnerable to the trade cycle in developed countries and they bear the main brunt of competition from synthetics. In addition, they are being stockpiled in the industrial countries so that the consumers possess a direct means of controlling prices. All three of these factors came into play in 1967, to the detriment of Asian producers.

The interdependence of primary producers in different countries is clearly demonstrated by the history of 1967. Prices of some commodities were held up by fortuitous declines in output or by the encroachment of domestic demand on export supply. Rice in Burma exemplifies the former causation, tea in India the latter, while rice in Thailand and coconut products in Ceylon and the Philippines were subject to a combination of both factors. Some exporters benefit in such cases. But there are numerous illustrations of the intense competition which characterizes primary producers rather than present-day exporters of manufactures. Thus, exporters of primary commodities endeavoured to meet adverse market trends by increasing their outputs. Tea exports from Ceylon and India, for instance, face increasing competition, across good and bad years, from producers in other developing regions.

In these circumstances, and under the heavy pressure which 1966 and 1967 brought to bear on some of the major Asian commodities, the search for agreement between producers was started or resumed with urgency. Exporters of tea, rubber and coconut have been holding high-level discussions, the results of which cannot yet be discerned. In the meantime, many countries adopted national policies to absorb the worst effects of the adverse price movements, the intervention of the Malaysian Government on the rubber market being the most striking example.

In 1967 as in 1966, broad diversification in primary production for exports paid handsome dividends. This is illustrated by the comparative development of export revenues in Ceylon (tea 60 per cent of export revenue in 1966, rubber 20 per cent and coconut products 12 per cent) or Malaysia (rubber 38 per cent of export revenue in 1967, tin 21 per cent, logs 10 per cent and other products less than 4 per cent each) on the one hand, and Thailand (rice 29 per cent of export revenue in 1967; rubber, tin, maize, jute and kenaf each between 10 and 13 per cent, and tapioca 5 per cent) on the other. As the next section shows, the export revenues of Ceylon fared worse during 1966 and 1967, those of Malaysia tended to decline somewhat while Thailand achieved a modest increase.

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[5] United Nations, *World Economic Survey 1963*, Part I, p. 31.

*Rice.* 1967 saw a continued increase in the export price of rice. A reduced export surplus from the major exporters coincided with increased demands from the deficit countries. The export price of rice from Thailand increased by some 19 per cent during 1966 and leapt up by a further 44 per cent to £82 per long ton in August 1967. While the exportable surplus of Burma declined together with output, in Thailand the pressure of domestic demand led to stricter licensing of exports. Cambodia increased exports on the basis of a better harvest, while Pakistan and the Republic of Korea became net importers during the year. Imports of rice by Ceylon fell sharply owing to a better harvest and the change in the consumer rice ration in late 1966. The Republic of Viet-Nam, which has become a net importer of rice, needed increased imports — which could not be wholly satisfied by the United States — and thus exerted additional pressures on the regional availability of rice for export.

Since the bulk of the rice exports from the region is consumed within the region, the increase in export prices led to gains which were achieved largely at the expense of the regional importers. The high price for rice provided an additional impetus to the wish for national self-sufficiency in many deficit countries and also seems to have stimulated a further greater use of alternative cereals such as wheat, which were available on easier terms of payment.

*Tea.* The weather in Ceylon and south India was reported to have caused a decline in output from the levels of 1966. With only marginal domestic demands, Ceylon increased exports during 1967 and stayed ahead of India for the third year in succession. India's domestic demand continues to encroach on export supplies by taking more of the cheaper varieties. This notwithstanding, the increasing African offer depressed the prices of the cheaper grades. Against the background of sluggish demand and growing competition, preliminary discussions on a producers' agreement were held between Ceylon and India. Even if an agreement were forthcoming between these two major producers, however, the attitude of the east African producers might determine its success or failure.

*Sugar.* Export prices in 1967 showed signs of recovery after two years of depression. Stocks had been reduced and output in 1967 was reported lower. The premium price of sugar on the United States market rose from 6.99 cents per pound in 1965 to 7.42 cents in November 1967. The export price from China (Taiwan) increased from $74.40 in 1965 to $90.80 per ton in August 1967.

In spite of general declines in the output of Asian producers other than the Philippines, exports of the region are expected to have risen by about 10 per cent in 1967. Indonesia and the Philippines, in particular, recorded high rates of export growth in the early part of the year. The Philippines had a strong reason for seeking to fill its United States sugar quota of 1.8 million tons: the United States tariff on sugar from the Philippines is to increase in 1968 from 40 per cent to 60 per cent of the regular United States tariff. Exports from India, however, suffered because of a shortfall in the production of cane and its diversion to the production of gur and khandsari.

*Natural rubber.* Prices dropped precipitously during 1967. Both production and exports increased and at the same time the competition of synthetics appears to have intensified. The dumping of artificial rubber was reported in certain markets. The entry of the Malaysian Government as a buyer on the market and the announcement that there would be a slow-down in the rate of releases from the United States stockpile appear to have slowed down the decline of prices in late 1967.

Given alternative suppliers and substitutes, no unilateral action by the government of even the major producing country can lead to an enduring solution to the problems of the industry. The discussions initiated between the major producers in the region are therefore of great importance.

*Coconut products.* After a period of declining prices in 1966 and early 1967, sharply reduced export availabilities during the latter half of 1967 raised export prices. Coconut products faced stiffening competition from substitute oil-seeds. Increasing domestic demands in the producing countries continued to impinge on export supply. Discussions between the major producers in the region have been initiated to search for an agreement on regulating supplies.

*Raw cotton.* In spite of a slight increase in raw cotton output, exports in 1967 declined somewhat. Increased domestic consumption probably accounts for this. In India and Pakistan, however, exports rose at a much faster rate than the increases in output. Export prices of most varieties drifted down during the year, with the exception of the price of Indian cotton.

*Jute and allied fibres.* After the shortfall in Indian output in 1966, prices of jute and allied fibres rose steadily in that year. Strong increases in the production in India and Pakistan during 1967 caused Thailand to suffer severe declines in exports. Prices tended to drift downward during the year. After a rise of 17 per cent between 1965 and 1966, the price of Pakistan jute fell from Rs 48.42 per maund in January to Rs 37.25 per maund in August 1967. Even at this lower price, European jute mills threatened to shift to synthetic fibres. At the opening of the 1967/68 season, the Pakistan Government therefore took the difficult course of reducing growers' prices to 26-28 rupees per maund. This occurred after the Consultative Committee on Jute, Kenaf and Allied Fibres, with delegates from twelve producing and consuming countries, had met in Rome in September 1967 to discuss an export price range that should be acceptable to growers and millers alike.

*Tin metal and tin-in-concentrates.* The operations of the International Tin Council and releases from the United States stockpile[6] moderated the rise in prices from 1960 to 1965. In 1966 and 1967, however, prices of tin metal showed a downward trend. Production of tin-in-concentrates remained fairly constant in 1966 and 1967. Production of tin metal, however, increased significantly during 1967, with Thailand in particular achieving striking increases. Although world consumption of tin metal appears to have increased in the first half of 1967, prices moved downwards with larger releases from the United States stockpile.

### *National trade and payments, 1966 and 1967*

The experience of individual countries in the years 1966 and 1967 cannot be neatly classified. But since the period was, from the point of view of trade, bad or indifferent for the greater part of the economy of developing Asia, export experience offers the simplest criterion of grouping countries in this section. The trade balance reflects imports, and these are determined by other factors besides export revenues, notably by the flow of assistance and by the level of available external assets. Export growth having become a major focus of policy, two groups of countries can be distinguished. The first group on the whole experienced increases of exports or at least maintained their value in the generally unfavourable climate of the period. This group includes Cambodia, China (Taiwan), Hong Kong, the Republic of Korea, Pakistan, Singapore and Thailand.

The second group includes countries whose export experience appears less favourable on balance, namely Burma, Ceylon, India, Indonesia, Iran, Malaysia and the Philippines. Laos, Nepal and the Republic of Viet-Nam cannot be introduced into this grouping, either because of a dearth of information or because of the special influences which shaped the external sector.

### *Group 1: Rising or maintained exports*

*Cambodia.* With the big drop in rice exports due to harvest failure and the slump in the price of rubber, Cambodian exports in 1966 fell by one-third to Ri 2,333 million. Imports, on the other hand, increased further to Ri 3,888 million.

Imports were sharply reduced after the deficit of 1966 and fell by almost 20 per cent during the first half of 1967. In this period, the supply and the price of rice had improved sufficiently to raise exports by one-third over the corresponding period in 1966. The trade deficit therefore fell from Ri 1,112 million to Ri 353 million.

The franc zone, mainland China, Japan and Singapore continued as the main suppliers of imports. In the first four months of 1967, imports from mainland China and Japan fell significantly while Singapore increased its share. The franc zone, mainland China, Hong Kong and Singapore were also the main markets for Cambodian exports. During the first quarter of 1967, exports rose especially to Hong Kong and India.

*China (Taiwan).* Exports having risen faster than imports in 1966 the deficit in the trade balance was reduced to $87 million (or $43 million at f.o.b. valuation of imports). The balance of goods and services was brought down to $32 million, something like one-third of the preceding year's deficit. Chinese vessels earned one-fourth of all the country's freight payments on international shipments, income from travel was high and net income on current non-military government transactions rose steeply to $32 million. Since no new United States grant assistance is forthcoming, China (Taiwan) has successfully sought private direct and portfolio investment and the Government has found loans abroad.

While exports continued to increase in 1967 and according to reports reached a level of $669 million (17.6 per cent), imports rose even more rapidly (36.8 per cent) to $825 million, resulting in a trade deficit of $156 million. Exports were held back by the decline in 1967 of sales to the Republic of Viet-Nam. This fall, which amounted to 37 per cent in the first eight months of 1967, was attributed to the "Buy American" policy which followed the balance of payments difficulties of the United States. Iron and steel products were particularly affected.

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[6] The stock grew from 1,400 long tons in 1962 to 74,998 long tons in 1966.

Industrial exports continued to expand in the first half of 1967, and so did exports of bananas and canned mushrooms. Textile products displaced sugar as the main export commodity in 1966, due to the increased demand from Indonesia and the Republic of Viet-Nam and the fulfilment of contracts for the processing of United States cotton. Exports of construction materials continued to boom with the rising defence expenditure in the region.

Consumer goods formed only about 12 per cent of total imports in 1965/66. Priority in the allocation of foreign exchange has been given to inputs for production and, particularly, for export industries which tend to have a growing import component.

*Hong Kong.* Total exports increased by 16 per cent in 1967 while total imports rose by only 4 per cent. The trade balance for the year thus improved significantly. The deficit of HK$1,718 million was HK$800 million less than in 1966.

Textile and garment manufactures accounted for over 50 per cent of domestic exports in 1967. Their growth has been slowed down by the import quotas adopted by the United States, the United Kingdom and the Federal Republic of Germany.[7] Domestic exports increased in almost all the SITC commodity groups. Growth was especially noticeable in the large group of miscellaneous manufactures (including toys and artificial flowers). Re-exports of food, crude materials, oils and fats, however, showed declines. This was probably due to the occasional disruption of trade with mainland China. Imports from mainland China declined sharply during the year, while Japan, the United States and China (Taiwan) significantly increased their exports to Hong Kong.

Domestic exports from Hong Kong continued to increase to the United States and the United Kingdom. These two countries absorbed 55 per cent of such exports. Australia, Canada and Sweden increased their purchases markedly in 1967.

Indonesia continued to be the main market for re-exports from Hong Kong and, along with Japan, Singapore and the United States, accounted for over 54 per cent of re-exports from Hong Kong.

By far the most important development in Hong Kong's trade in 1967 was the disruption of trade with Macao and mainland China. Hong Kong's role as an entrepôt between mainland China and the rest of the world declined in 1967. At the same time, Hong Kong assumed increasing importance as an entrepôt for the developing countries of the region. Trade with China (Taiwan), the Philippines, the Republic of Korea and the Republic of Viet-Nam increased, largely as a consequence of the economic activity stimulated by the continued conflict in Viet-Nam.

The Hong Kong Export Credit Insurance Corporation began operations in February of 1967 while a double adjustment of the value of the Hong Kong currency in November made for an effective devaluation of 5.7 per cent.

During 1962-1966, exports from the *Republic of Korea* increased phenomenally at a compound annual rate of 46.2 per cent. This growth started from a very low initial base. Imports, increasing at the much lower rate of 14.2 per cent, had to be financed largely by foreign assistance. The ratio of exports to imports moved up from 13 per cent in 1962 to around one-third in 1966, which was still the lowest ratio in the region after the Republic of Viet-Nam and Laos.

During the first ten months of 1967, exports continued to climb steeply but were, for the first time, overtaken by a 33 per cent growth in imports over the corresponding months of 1966. The sharp rise in imports had, in fact, occurred already in the second half of 1966. In part, it must be ascribed to liberalization as the immediate cause. The Korean economy appears to be working close to the limit of present capacity, but this capacity was in the process of being increased quite rapidly in 1966. Beyond this, however, the pattern of the Republic of Korea's exports is changing towards goods with high import coefficients.[8]

The balance of trade deficit deteriorated in 1966 to $466 million. The imbalance continues to be covered by foreign assistance. Commercial loans have been growing in importance along with the Republic of Korea's ability to finance an increasing part of imports through export earnings. Invisible exports have been growing a good deal more rapidly than the visible ones — largely payments by United States troops. Transfers by Koreans working or serving abroad have also risen steeply.

The commodity composition of exports has been greatly diversified since 1960. Manufactured goods (including chemicals, machinery and transport equipment) grew from 14 per cent of total exports in 1960 to around two-thirds in 1966.

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[7] Late in 1966 Hong Kong agreed to control cotton textile exports to the Federal Republic of Germany. The agreement provided that such exports would be held to a maximum of 60 million square yards in 1967; 66.65 million square yards in 1968 and 67.65 million square yards in 1969.

[8] According to the Korean input-output table for 1963, the average total import coefficient of industry was .12. The coefficients for some products that are gaining importance in the Republic of Korea's exports were: fibre spinning .48; steel products .42; textile fabrics .39 and paper .36. (Bank of Korea, *Economic Statistics Yearbook*, 1963)

The United States continued to be the major export partner and absorbed increasing quantities of silk fabrics, clothing and wigs. Japan also increased its share in Korean trade. During 1967 exports to the Republic of Viet-Nam fell, probably on account of the intensified "Buy American" policy in United States aid to the Republic of Viet-Nam.

The unit values of exports have continued to improve since 1963, not least because of the changing composition of exports; import prices increased at a much slower rate. The terms of trade registered a further improvement of 2.1 per cent during the first ten months of 1967.

A wide range of incentives has been provided to exporters. In July 1967, very low interest loans were also made available to importers of equipment for export industries provided that the exports would exceed 300 per cent of the value of the imported equipment within two years from the time of import, and 200 per cent yearly thereafter. The import quota system was virtually abolished in December 1966. While the sudden impact of foreign competition on hitherto sheltered industries causes concern, the pressure of increasing exports on resources is relieved by easier importing.

In July 1967, all imports and exports not specifically prohibited were freed of all control. The list of prohibitions and restrictions is still very large but further liberalization is anticipated during the coming years.

*Pakistan's* exports continued to increase handsomely in 1966/67, at a rate of almost 11 per cent (compared with 13 per cent in 1965/66, and 5 per cent in 1964/65). As regards imports and the trade balance, 1966/67 has to be seen in the light of the border conflict and the associated pause in most foreign aid in 1965/66. Imports and the trade deficit had been cut drastically in that year. In addition, there had been a short harvest of foodgrains, coinciding with slow arrivals of surplus foods from the United States and altogether exceptionally low food imports. The amount of foodgrains available per head declined by almost 10 per cent. While imports in 1965/66 had been down by almost 22 per cent, they rose in the following year by 23 per cent but still stayed short of the level of the "normal" year 1964/65. Imports increased in almost all categories, and particularly so in foods. Stocks had been depleted and the continued stagnation of output forced Pakistan to use free foreign exchange to build up food imports to Rs 897 million, which was not much less than the imports of food during the two preceding years taken together.

With imports at Rs 5,192 million and exports at Rs 3,006 million, the trade deficit rose some way towards its level of 1964/65. In the composition of exports, it is again the rise in lesser exports which was particularly noticeable. In imports, increased food purchases necessitated a reduction in imports of capital goods. The proportion of the latter continued to decline in the first months of 1967 while that of raw materials rose. Patches of excess capacity seem to have appeared and the rearrangement of outlays under the third plan seems to have been associated with a slowing down of capital formation. The insufficient harvests may have added to this tendency in the private sector's investment.

While the origin of imports continued to depend on the availability of foreign assistance, considerable changes followed the widening of the list of donors and also the increase of export earnings. Imports from the United States, for instance, fell from 43 per cent of total imports in 1963/64 to 29 per cent in 1966/67. Imports from south Asia, Far Eastern and Middle Eastern countries increased most in 1966/67. North America and Europe continued to be the largest suppliers.

Exports increased fastest in 1966/67 to south Asia, the Far East, Africa and the Middle East. South Asia and the Far East displaced Europe as the best customer.

Prices of raw jute and Desi cotton increased during the year. Price declines occurred in staple cotton, raw wool, hides and skins.

A programme of import liberalization was carried through in 1966/67 by freeing 65 per cent of total imports from licensing procedures. The number of items on the 'free list' was more than doubled, so placing most essential industrial raw materials and spare parts on the free list. More industries were allowed to import essential inputs (other than those covered by the free list) in addition to the facilities under the Export Bonus Voucher Scheme. The list of commodities importable against bonus vouchers was further extended. In September 1967, imports had to be sharply restricted, though allowances were made for essential industrial inputs. Regulatory import duties of 10 per cent were imposed on several import items following the devaluation of the pound sterling. The premium on bonus vouchers had fluctuated between 140 and 160 per cent over the past three years. In August 1967, however, the premium increased to around 175 per cent. Imports of consumer goods and industrial raw materials under this scheme increased considerably while imports of machinery and spare parts fell. The bonus voucher scheme seems to be increasingly used for the import of consumption goods, including high-standard-of-living items.

With the increasing trade with the centrally planned economies, a state trading corporation was established to handle the government-to-government trade. This corporation was also expected to assist in making bulk purchases from the most competitive sources and to make for added contributions to government revenue as well.

*Singapore.* While exports continued to recover in 1966 from the low levels to which they had fallen in 1964, they were, at S$3,374 million, still below the levels attained in 1960-1963. Imports also climbed from the low of 1964. In 1966, at S$4,066 million, they stood at about the same level as in 1960-1962.

Deficits in the balance of commodity trade have been a regular feature of Singapore trade. The trade deficit in 1966 (S$692 million) was about S$100 million below that of 1965.

In the first ten months of 1967, prices continued to decline for rubber, coconut oil, pepper, palm oil and tin.

But 1967 saw also the effective resumption of official trade links with Indonesia. Trade with the Republic of Viet-Nam continued to increase, the bulk of re-exports of petroleum products in 1966 being absorbed there. Trade relations were further extended by contracts to supply the Soviet Union with 1,000 tons of coconut oil and Bulgaria with 160,000 pairs of leather shoes. A trade mission to Africa secured a contract for the supply of 13,000 tons of asphalt-lined steel pipe for a 29-mile water supply system in Lusaka. During the first ten months of 1967, both exports and imports accordingly increased over the corresponding period of 1966. But imports rose somewhat faster and the trade deficit rose by S$183 million to S$757 million.

Re-exports continued to form the major part of the export trade with rubber and petroleum products accounting for almost one-third of the total. The direction of trade from 1961 to 1966 (excluding Indonesia) shows that imports from all sources increased — particularly from mainland China, Australia, Japan and Thailand. On the other hand, exports to the more developed countries declined but increased to mainland China, Hong Kong, Malaysia and Thailand. Both exports and imports to India declined sharply. Large rubber purchases by mainland China in 1966 displaced the United States from the position of Singapore's fourth largest trading partner.

Selected domestic industries were protected by import quotas and tariffs. With a view to stimulating production for export, fiscal incentives have also been granted. These include the taxation of profits from export at one-tenth of the regular tax (of 40 per cent) for a period of up to fifteen years; accelerated depreciation allowances and the tax exemption for a period of five years of profits from production based on expanded capacity.

*Thailand's* exports in the first half of 1967 were about 8 per cent higher than in the first half of 1966.[9] For later months of 1967, a similar comparison shows a slowing of growth, January-November being only 2 per cent up on the first eleven months of 1966. Considering the concentration of exports on primary produce, this is not a poor performance as a comparison with Malaysia and Ceylon will show. It owes much to the diversification of Thai primary exports, which developed on private initiative. In the period reviewed, striking increases in the export values of rice and tin metal could be set against equally striking declines in earnings from rubber and kenaf. Export earnings declined in some instances because of reduced production. This varied causation is reflected in the terms of trade, which improved somewhat.

A marginal fall in the export volume of rice was more than offset by booming export prices. Following the completion of the tin smelter at Phuket in 1965, tin metal rather than tin concentrates has been exported. Tin metal exports in 1967 increased greatly in volume after the addition in 1966 of 15 per cent to Thailand's export quota under the International Tin Council.

Rubber exports kept up in terms of volume but export receipts declined by 20 per cent. Consequently, tin exports replaced rubber as the second largest export commodity. With a view to providing relief to the rubber industry, export duties on rubber were reduced from 5-20 per cent *ad valorem* to 1-4 per cent *ad valorem* and the sales tax was suspended.

Maize exports, which have grown very rapidly over the past few years, fared somewhat better. Prices held up till the new crop came in September, while the export volume remained fairly steady. Japan, which purchases about two-thirds of Thailand's maize exports, has contracted to purchase 720,000 tons in the period from September 1967 to April 1968. Exports of kenaf, on the other hand, suffered a sharp relapse when India stopped buying. The volume and price of exports plummeted during the year.

While exports rose somewhat, imports rose much faster. The trade deficit in the first half of 1967 accordingly increased greatly when compared with the first half of 1966 ($326 million against $137 million), but it improved when compared with the deficit in the second half of 1966 ($342 million).[10]

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[9] Bank of Thailand. The rate is higher than was stated in the United Nations, *Monthly Bulletin of Statistics* which is the source for table II-21.

The great surge in imports in fact occurred between the two halves of 1966, when the increment was twice as great as between the second half of 1966 and the first of 1967. Increases between the beginning of 1966 and March 1967 were recorded in most categories of imports, but especially so in consumer goods.[11] This increase in imports was acceptable as a matter of policy. In 1966, after a further rise of exports by 12 per cent on the year and with increasing internal expenditure on construction for development or military purposes, and on services to increasing numbers of foreign troops, import liberalization and the actual growth of imports allowed stability without much control.

Imports were liberalized further during 1967. A few restricted commodities were de-controlled while import duties on a range of chemicals, and construction and refractory materials were reduced. Early in 1968, however, import duties were increased on a wide range of products as a protective measure. Six prohibited imports were freed but made liable to penal rates of import duty. Apart from the variation of the export tax on rubber, the *ad valorem* export duty on teak and other woods was increased in October.

The balance of payments shows increasing invisible exports. Thailand's civilian and military tourism and the expenditure of United States soldiers have caused a very comfortable foreign exchange position. The public import of capital grew greatly in the first half of 1967. External assets in October 1967 reached the astonishing level of $1,027 million, one-quarter of the combined assets of the developing ECAFE region.

With an increased volume of assistance, the United States has displaced Japan since 1966 as the leading provider of imports. Japan, however, continued to remain the major market for exports.

### *Group II: Declining export values*

*Burma:* Exports have declined continuously since 1961/62. In 1966/67, at K 649 million, they were little more than one-half of the 1961/62 figure and well below the exports in any year of the nineteen-fifties. Exports of rice and rice products which formed between 60 and 65 per cent of total exports during the last decade have fallen continuously since 1961/62. In 1966/67 total exports fell by 30 per cent mainly because of a further fall of 34 per cent in rice exports. The decline in the export volumes of rice has been attributed to the effect on domestic production of the low procurement prices offered by the Union of Burma Agricultural Marketing Board, the sole exporter of rice. Higher procurement prices were announced for the 1967/68 season. During 1966/67 rice production was also affected by adverse weather.

Imports remained at just above K 1,000 million from 1960/61 to 1963/64. Acute scarcities on the domestic market drove them up by 30 per cent in 1964/65. The trade surpluses of the early sixties thereupon turned into a large deficit. When imports were drastically and indiscriminately slashed in the following years reaching their lowest level in ten years in 1966/67, a trade surplus was re-established in 1965/66. It was followed by a small deficit in the next year.

Food and primary agricultural products dominated Burma's exports and the bulk of its trade was thus with the food-deficit countries of the region, mainland China and Japan. Exports to the European socialist countries increased steadily up to 1963/64 but have since fallen off quite sharply.

Japan, mainland China, the United Kingdom and the United States have been the main suppliers of imports. India and Pakistan are other leading suppliers from the ECAFE region.

With pervasive state control over most sectors of the economy, foreign trade policies have concentrated on bilateral trading agreements. They have been signed with most of the centrally planned economies and with many countries of the ECAFE region.

*1966* was a bad year for *Ceylon's* external trade. With exports declining by 13 per cent and imports rising by 38 per cent, the trade surplus of Rs 474 million in 1965 turned in the next year into a deficit of Rs 328 million. External assets declined during 1966 by about one-third, to $43 million, some 10 per cent of the annual import bill.

Exports declined faster than imports in the first half of 1967, and consequently the trade deficit at Rs 120 million was more than 90 per cent larger than that of the comparable period of the earlier year. Volumes and prices for the main commodities drifted downward during this period. Estimates for the year 1967 indicate that export receipts have fallen further though their volume rose by 4.2 per cent. The terms of trade declined substantially and export earnings were the lowest since 1958. While the production and exports of tea and rubber increased, prices continued to fall. The output of coconut products, their exports and prices all fell.

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[10] Imports c.i.f., exports f.o.b.

[11] No full commodity analysis of imports in 1966 or 1967 is available as yet.

After a record harvest, the import volume of rice fell sharply during the first half of 1967. Imports from Burma also declined, partly because rice was increasingly drawn from mainland China under the rice-rubber pact, and partly because of lower Burmese supplies. Imports of wheat flour, however, increased sharply due both to its availability under PL 480 and, possibly, to an increasing substitution of wheat for rice following the change in relative prices.

The United Kingdom remains the major trade partner. Trade agreements with the centrally planned economies, including mainland China, have led to continued increases in trade volumes. Under the agreement with mainland China, rice is obtained at the Burmese prices while rubber is given at a premium over the Singapore price. Between 1965 and 1966, exports of rubber to mainland China rose by 32 per cent. While it was possible to reduce the import of rice, that of textiles increased steeply. During 1967 the trade agreements with India and Pakistan underwent their yearly re-negotiation to specify the commodities to be traded. The economic difficulties of India caused exports to it to fall between 1965 and 1966 by Rs 22 million.

All import duties were waived on the import of raw materials for the manufacture of agricultural implements, irrigation pumps, fisheries equipment, marine and diesel engines, infant foods and poultry farming requisites. A new import licensing policy for industrial inputs groups industries into four categories. Exchange allocations range from actual needs for the first category to only 25 per cent of usage in 1966 for the fourth category. While the employment of a previous-use basis for exchange allocations is probably unavoidable in the short run, it fails to stimulate the efficient user. Auctioning and its variants might be found feasible alternatives.

Following on the devaluation of November 1967, export duties on tea, rubber and coconut products were increased by 5 per cent while the export duty rebate on the low priced teas was withdrawn.

During the fiscal year 1966/67, *India's* exports declined by $135 million to $1,558 million and imports by $338 million to $2,621 million. Because of a larger fall in imports than in exports, the adverse trade balance was reduced from $1,267 million in 1965/66 to $1,063 million in 1966/67. Most of the decline in exports took place after June 1966, reflecting the impact of two successive poor harvests, the slump in the international prices of sugar, tea and other commodities, and the dislocation of trade after devaluation.

The decline in export values was particularly marked for those commodities whose output declined in 1966/67: jute manufactures (exports less by $49 million), cotton piece goods ($31 million), tea ($27 million); unmanufactured tobacco ($12 million) and spices ($9 million). The fall in export values also spread to vegetable oils, oil cakes, coffee, mica, art silk manufactures and engineering goods (from $4 to $6 million for each). The volume of sugar exports was up by 37 per cent but owing to the fall in prices there was no significant change in the total value. In spite of the over-all decline, there were some bright spots in exports after devaluation. Exports of leather and leather manufactures rose sharply by $23 million, and iron and steel by $8 million.

Exports to most regions declined, with the notable exception of the European Economic Community (EEC) countries and the centrally planned economies in eastern Europe.

Imports during 1966/67 were lower by 11.4 per cent and there was a marked shift in their composition. Cereals rose by $136 million because of the inadequate harvests. Imports of raw materials such as raw jute and fertilizers went up by $8 million and $36 million respectively. On the other hand, imports of machinery and transport equipment declined by $274 million, that is, by 26 per cent responding to the stringent import policy introduced in 1965 and 1966. Together with the reduced growth in the output of the capital goods industries, this indicates a considerable slowing down in capital formation. This was not just a matter of limited resources but also of a certain shift in the emphasis of Indian policy.

Export duties, which had been imposed after devaluation on a large number of traditional exports to protect their unit values, were cut markedly,[12] following the decline in export earnings.

Exporters of new industrial products such as engineering products, chemicals and sports goods were granted cash subsidies ranging from 10 to 20 per cent of their f.o.b. values. In September 1967, subsidies were extended to a wider range of products and further raised. In the case of steel-using export goods, the subsidy takes the form of a payment to the exporter based on the difference between the international and the domestic price of steel.

The policy of liberalization was pursued further in 1966/67 by relaxing a variety of export controls

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[12] The budget for 1967/68 reduced the duties on hessian from Rs 900 per ton to Rs 750 per ton, on carpet backing from Rs 900 to Rs 600 per ton, on jute sacking from Rs 600 to Rs 450 per ton, on manganese ore from Rs 20 to Rs 12.50 per ton, and on iron ore fines from Rs 5 to Rs 4 per ton. The duty on tea was reduced to neutralize the effect of increases in excise duty, which is not refundable in the case of tea exports. Export duties on other primary exports such as pepper and raw wool were also significantly reduced. At the same time, excise duties on a wide range of products were increased to restrain domestic consumption and thereby to free supplies for export.

— over cotton textiles, bone meal, tyres and tubes and other goods — the purpose of which had been to ensure supplies to the domestic market. The decontrol of cotton textiles, in particular, may affect the distribution of real income, because a chief object of this type of control is to protect the standard of living of low-income groups.

Following the devaluation, all promotional measures based on import entitlements and tax credits were abolished. The tenor and use of import licensing policy changed. High priority was given to the allotment of capital goods to export industries. Fifty-nine industries (including export-oriented industries) were selected as priority industries and import licences were issued to meet their full requirements of raw materials, components and spares on a six-monthly basis. Imports of raw jute, raw cashew nuts, wattle bark and raw hides and skins were placed on the open general licence for the benefit of exporting industries.

The import policy for the year 1967/68 (May 1967) liberalized imports further. Import licensing for the 59 priority industries was based on need and made continuous. Industrial users of imported inputs were given greater freedom of choice in respect of items to be imported and of the source of their supplies.

In the first seven months of 1967/68, exports increased by $50 million over the corresponding period of 1966/67. An encouraging feature of exports was the increased share of non-traditional items such as iron and steel, steel scrap, engineering goods, finished leather, paper and paper board.

*Indonesia.* Exports (excluding petroleum products)[13] continued to fall in 1967, reaching $446 million, or $47 million less than in 1966. Imports on the other hand, increased by almost $100 million from $571 million in 1966 (annual rate based on nine-months). Consequently the deficit in the balance of trade rose further during the year.

The continued decline in recorded exports seems to reflect an increasing volume of illegal exports due to the unremunerative rates of exchange; a sharp fall in production due to the serious deterioration of machinery and equipment and declines in reinvestment; and a breakdown of the internal transport network. Over and above these internal problems, the export price of rubber, Indonesia's main export, declined.

Domestic production increased only very slowly. The economic rehabilitation of the economy has thus hinged crucially on the availability of imports. In the event, foreign assistance permitted the large-scale import of maintenance goods and the large trade deficit of 1967.

Together with the reform of the foreign exchange system, export and import procedures were simplified and the state agencies regulating shipping were abolished. The taxation of exports and imports resulted largely from the working of the foreign exchange system. The earlier implicit taxation of exports was transformed into a direct tax in 1967. The post-tax export proceeds were given in the form of bonus certificates which could be freely sold on the market. Exporters therefore earned a sizable premium over the official exchange rate. The incentive offered by the right to retain export earnings above the officially fixed value of the export was considerably reduced through an upward revision of official values ("check prices").

*Iran:* Petroleum products, accounting for over 80 per cent of total exports, maintained an annual rate of growth of 9.8 per cent from 1961 to 1966. With imports increasing over the same period by only an annual 6.3 per cent, the balance of trade has remained in surplus. In the first half of 1967 growing demands for capital goods caused imports to surge ahead by almost 17 per cent, while exports declined by 6 per cent. The trade surplus was thus halved by comparison with the corresponding period of 1966. The terms of trade have fractionally improved.

The EEC group of countries was Iran's leading trade partner in 1966, taking slightly over one-fourth of exports and supplying about 35 per cent of imports. The centrally planned economies absorb almost one-quarter of exports. The United Kingdom and the United States are the other important trading partners. Trade with Pakistan and Turkey — the other members of the Regional Co-operation for Development — is yet very insignificant.

Steps have been taken to restrain the growth of demand for imports. Import tariffs and other levies were increased for 1967/68 while the advance deposit requirement for imports was doubled to 4 per cent together with the increase in the bank rate.

With a view to stimulating exports, major products were granted a five-year exemption from income tax. The International Petroleum Consortium was also asked to increase the production of petroleum by 17 per cent annually.

The development of *Malaysia's* trade during the first eleven months of 1967 was dominated by the decline in the prices of all its major exports except timber. Given the structure of Malaysia's exports, a price deterioration in any two of the major exports (rubber, which accounted for 38 per cent of exports in 1966, timber 12 per cent and tin 21 per cent) cannot usually be offset by other prices moving in the opposite way. The price of rubber had been sliding down throughout 1966 from 70.1 cents (Malaysian) to 60.27 cents per pound for R.S.S.1. In November 1967 it stood at 49.16 cents per pound. In September, when the price reached 50.66 cents the Government entered the market as a buyer to arrest the slide. Tin on the London Metal Exchange had opened in 1966 at £1,424.7 per ton and was down to £1,210 by the end of that year. In November 1967, it stood better at £1,272.8 but in between it had been as low as £1,185.4. By the standards of the years before 1964 this, of course, is still very high.[14] Palm oil prices also came down to the levels of 1963 and before.

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[13] Exports of petroleum products at $186 million in 1966 amounted to over one-quarter of total exports. Such exports are, however, handled by the producing companies under special terms and conditions. They thus remain unaffected by the changes in trade and foreign exchange policy described in this *Survey*.

During the first eleven months of 1967, the quantities of rubber and tin exported increased by 4 and 0.3 per cent respectively. The volumes of timber, coconut oil and canned pineapple exports rose markedly. Copra volumes declined steeply (61 per cent on the year), and milder declines occurred in iron ore and palm kernels. The outcome was a decline of 3 per cent on the year in the value of exports.

The value of imports also declined but by less, and the trade surplus was accordingly reduced. In the balance of payments for 1967, the trade balance declined to $149 from $180 million in 1966. Government transfer receipts and private capital inflows also fell but were overcompensated by public external borrowing.

In June 1967, the United States announced a reduction in releases from the rubber stockpile. A report from the Natural Rubber Bureau in Washington stated that rubber stockpile releases by the United States would end only in August 1972, assuming that stockpile releases would continue at 70,000 tons per year and that the minimum stockpile would be 130,000 tons. Estimates by FAO point to heavy over-production of natural rubber in the coming decade which could be reflected in large unsold stocks and severe pressure on prices.

In October 1967, nine rubber producing countries met at Kuala Lumpur and agreed on the following lines of action: (1) to request the United States to reduce its rubber stockpile releases with a minimum price of US 20 cents per pound ex-depot; (2) to protest against the dumping of synthetic rubber in European markets by the United States and Canada; and (3) to organize an international commodity arrangement to embrace producers and consumers of both natural and synthetic rubber.

During the first nine months of 1967, mainland China moved up to become the third largest buyer of rubber after the Soviet Union and the United States.

In the *Philippines*, exports declined in the first half of 1967, the volume falling largely because of the losses of copra due to typhoons. The value and the volume of imports, however, rose sharply by comparison with the first half of 1966, following an even larger rise between the first and the second half of that year. The rise of imports in 1967 extended to several important items of non-durable and durable consumption (tobacco, light manufactures and materials for them), though imports of finished non-durable consumer goods appear to have been cut drastically.

The terms of trade changed little, so that the deterioration in the balance of trade represents by and large real movements in exports and imports.

While the United States retained its position as the single most important market, the destination of exports was diversified by increased sales to Japan and western Europe. The Laurel-Langley agreement with the United States is due to expire in 1974 and preliminary discussions were held as to the possibility of its extension or revision.

*Group III:*

Exports are insignificant in the trade of *Laos*. In 1965, for instance, they amounted to Kp 240 million as against imports of Kp 7,893 million. The figures exclude the considerable trade in gold (Kp 30 million of gold were imported in 1966) and also underestimate exports, much of which goes unrecorded (e.g. opium).

The conditions of the transit trade through Thailand continued to be the main determinant of the competitiveness of Laotian exports. A growing volume of imports was made possible by extensive foreign assistance.

Export controls were tightened in 1967 and an increased repatriation of export proceeds at the official rate was expected. Sixty per cent of export proceeds from tin ore, 20 per cent from timber and 10 per cent from other exports have to be surrendered at the official rate of Kp 240 = $1, which is about half the market rate. The earlier surrender requirements appear to have driven exports such as benzoin, sticklac and cardamom underground.

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[14] In November 1967, the International Tin Council adjusted the floor and ceiling prices of tin to allow for the exchange differentials introduced by the devaluation of sterling. The floor price was raised from £1,100 to £1,283 per ton while the ceiling price was raised from £1,400 to £1,633 per ton. In January 1968, both the floor and ceiling prices were reduced by £3.

Imports from Thailand and Japan increased significantly during 1966 while Malaysia-Singapore continued to be the major market for exports.

*Nepal:* Trade with India continues to account for about 90 per cent of Nepal's total trade. Following the decision not to devalue the Nepalese rupee in step with the Indian rupee,[15] tariffs were increased on a number of imports from India. Indo-Nepalese trade was also subjected for the first time to licensing in an effort to curtail increased imports from India. Imports from India rose nevertheless and led to the steady depletion of Nepal's reserves of Indian rupees.

The budget for 1967/68 exempted imports of essential agricultural inputs and implements from import levies. Reductions in import duties were allowed on the imports of raw materials and machinery for newly-established industries while protective tariffs were also imposed. Export duties were lowered, particularly because the appreciation in relation to the Indian rupee retarded exports. The surcharge on imports from India was lowered, and it was agreed that the Indian excise duty on exports to Nepal would be refunded to the Nepalese exchequer.

Nepal continues its attempts to diversify trade because the trade with India cannot satisfy the full demand for development imports and does not provide the hard currency which is required in consequence. A two-year barter agreement with Poland provided for £100,000 of trade. Mainland China aid projects in Nepal are financed with the proceeds of sales of Chinese consumer goods and the trade with mainland China is accordingly fostered. This trade also provided for the import of 20,000 tons of rice after the short harvest of 1966/67. A barter agreement with Bulgaria provides for the export of jute, jute products, oil-seeds, hide, timber and herbs in exchange for electric motors and trucks. Trade with Pakistan has tended to diminish in the absence of proper transit facilities through India and the consequent need to use air transport.

Raw wool exports to India were stopped and diverted to the USSR. Exports of a small quantity of low quality raw jute have been permitted to exporters of jute materials. Cigarette imports from India were temporarily suspended.

*Republic of Viet-Nam.* The economic dislocation of a war-torn economy has made for a continuing decline in exports and a continued increase in imports. The provisional data for 1966 suggest that export receipts barely covered 5 per cent of imports. Since 1964, with the harvests reduced or diverted, the economy has turned from being a net exporter of rice into a net importer. Foreign assistance has taken care of the trade deficit, which stood in 1966 at around $768 million. The balance on goods and services is a good deal smaller (some $272 million in 1966) because of service incomes and military transactions. It was more than covered by transfer payments (loan transactions being insignificant) so that external assets accumulated on a substantial scale.

Imports were substantially liberalized in late 1966 in order to curb the black market. Imports licensed in 1966 were, at $661 million, about 60 per cent higher than in the previous year. With the rapid build-up of supplies, import licensing slowed down during 1967. Imports of textile fabrics were banned from March 1967.

Rice has become the major import item and 830,000 tons (of the 950,000 tons imported in 1967) were supplied by the United States. Rubber formed the bulk of exports, with France as the main buyer.

With the close link between import sources and assistance flows, the United States has become by far the main supplier of imports. Many countries of the ECAFE region—in particular China (Taiwan), Hong Kong, Japan, the Republic of Korea and Singapore—have benefited from the import boom.

### *Major trends in foreign trade policy*

The economic events of 1966 and 1967 shaped national trade policies in more than one sense. They dictated the tactics of trade policy and also exerted an influence on its strategy. The period witnessed notable changes of strategy, of an importance that goes beyond the actual policy measures in which these changes have so far been reflected.

On the side of tactics, many countries responded to the widespread decline of commodity prices and the stagnation of export earnings by an extensive use of fiscal and commercial policy instruments to induce exports and to recover some balance in the external sector. The measures distinguished between new and traditional exports. The former were assisted by subsidies in India, by the extension of the export bonus voucher scheme in Pakistan and by the introduction of a modest version of the scheme in Ceylon, and by the offer of fiscal and monetary inducements, especially in countries such as the Republic of Korea where the trend towards increased reliance on general economic policy forms part of the strategy of liberalization.

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[15] In December 1967, after the devaluation of sterling, Nepal devalued its rupee by 32.9 per cent.

Price falls and demand stagnation, however, affected the traditional exports of developing Asia. This led to large and frequent variations in export taxes which also underwent adjustments to parry the devaluation of sterling in November 1967. Indian export taxes that had been raised in 1966 to differentiate the impact of the Indian devaluation had to be brought down again in 1967 to meet unfavourable movements in the international prices and the competition of other suppliers. The collapse of the low-priced tea market led to a scheme of export duty drawbacks in Ceylon. The scheme persisted till the devaluation, when it was abolished and when export taxes were raised to tailor the devaluation to the conditions of demand for Ceylon's export products. Pakistan and Afghanistan also reduced or abolished export taxes. Indonesia and Laos sought to maintain export earnings by permitting a larger retention of proceeds by exporters.

Since export taxes serve in many countries as the main instrument for the apportionment of export income between state and producer or trader, reductions diminish public revenue. Even where the tax is specific, reductions have tended to reduce public revenue in a greater proportion than the income of the seller. The development of alternative means of taxing which was lent new urgency by the events of 1966 and 1967 is needed for a variety of further reasons. Export taxes cannot distinguish between the average and the marginal producer and thus are no substitute for taxes on profits and rent, and they fall on the exported portion of production alone and thus tend to divert supplies to the domestic market. The policy during the past two years, as distinct from the instruments, was to maintain export volumes, or to raise them, in the face of a stagnant or declining demand. This response leads easily to further price falls, but it cannot be avoided unless national policies can be co-ordinated among the producing countries. 1966 and 1967 accordingly saw new or resumed attempts to construct such agreements for rubber, tea and other products.

The important developments of trade strategy took the form of a pursuit of liberalization in some countries and, perhaps more remarkably, the adoption of liberalization policies in countries whose external sector had come under heavy pressure.

Liberalization of trade in Asia has meant a great variety of things during the past few years. Its standard meaning in economic policy is the relaxation of controls—physical controls, allocation systems and price controls — as distinct from the reduction of tariffs and taxes. But, for an understanding of the aims and likely implications of liberalization, it is not only necessary to know the purposes of the controls that are being relaxed but also their actual working. The allocation of steel at controlled prices, or of imports at a particular rate of exchange may have had the purpose of exerting control over uses of materials but may in the end do no more than distribute income between those that get licences and the rest. A relaxation of such controls might then have little effect on the things which they were meant to accomplish.

Whatever the precise purpose of a control, the role of foreign exchange in the developing countries of Asia is usually such that the control over imports or exports is a particularly powerful influence on the pattern of production. It also tends to be the most readily available instrument for this type of policy. Liberalization must therefore often mean the partial surrender of public control over the pattern of developing production and of consumption. This is not a necessary result but rather depends on the degree of rational control which had been exercised before liberalization. An economy crowded with controllers and controls, instituted *ad hoc* to meet new pressures as they arise may find that some of this activity is not just superfluous but harmful to the objective of growth along certain agreed lines because of inconsistencies between different policies and an unnecessarily high cost of the system in terms of private incentive and the labour of administrators and licence seekers. In several Asian countries—for instance, in the Republic of Korea and in India or Pakistan—a simplification of control has frequently been advocated on these grounds, and this reason for liberalization forms almost everywhere an element in the wider case. That the case for, and the purpose of, liberalization is wider appears to be accepted in these developing Asian countries which have accepted liberalization as a major policy strategy. They include Pakistan, the Republic of Korea, China (Taiwan), Indonesia, and, a recent and very notable addition, India. In these countries, one of the reasons for trade liberalization was that the controlled economy did not seem to engage initiative sufficiently in the desirable directions, and that the regime of controls failed to manage the economy in circumstances of extreme scarcity of foreign exchange. The price of liberalization is partly the weaker control, or the weaker potential control, over the allocation of resources. This, it seems, is generally accepted. In addition, however, logic and experience suggests a further price or concomitant of liberalization, namely the need to relax the strain on national resources which may have to accompany a determined planning of development. If imports are allowed in more liberally than before, resources will, for one thing, be used in a different manner and somewhat less will be available for planned development.

Working with a given expected foreign exchange income—and this must be the basis of policy in the short run—if importers can choose more freely what to import, certain domestic capacities may be underutilized; and if they can choose more freely how much to import, the size of the bill will not be certain and the residue that will be usable for agreed development activities will be smaller. Since pressure on resources exerts a push on prices, liberalization may increase the payments difficulties if resources are driven too hard. There is, thus, some reason for associating policies of liberalization with increasing caution in economic management and with some easing in the utilization of resources. The broad problems of current policies of relaxation in several developing Asian countries stem from here.

The methods by which liberalization is pursued have their own problems. Some of these were pointed out in the preceding notes on national experience in trade and payments and in chapter II of Part One of this *Survey*. The adoption, for instance, of a past-use basis for liberal import allocations to producers tends to introduce rigidities in the growth of industries. Bonus voucher systems which allow the import of high standard of living goods to furnish incentives to the exporters may lead ultimately to a pattern of domestic production—in replacement of certain bonus voucher imports—that was not considered desirable to begin with. The abolition of import controls on articles of popular consumption (e.g. textiles) may leave the government without other means of regulating the distribution of real income.

The continuing import liberalization in *China (Taiwan)* included the transfer of additional commodities to the free list and a widening of the category of permitted consumer good imports as a spur to improved design and quality in domestic production. In the *Republic of Korea*, the main recent measure was the adoption of the 'negative list system' which allows the import of goods unless specifically prohibited or restricted. While this has a large element of administrative reform, it was combined with a reduction in the number of prohibited and restricted commodities.

The wider substitution of customs tariffs for import restrictions is at present being considered in the Republic of Korea while it has already been initiated in *Singapore*.

*Thailand*, with very strong external reserves and a desire to stabilize the economy in the face of mounting externally financed domestic expenditure, accelerated the process of liberalization in 1966 and 1967. In 1966, controls were removed from a large portion of the export and import products that still remained under quantitative control. Decontrol proceeded in 1967, simultaneously with the reduction of import duties on a wide range of industrial materials.

In *Pakistan* a more liberal import policy was announced for 1966/67 to enable the fuller utilization of existing capacity and to provide greater supplies for export. The 'free list' — containing almost all essential industrial raw materials — was increased from 31 to 66 items and the 'licensable' list reduced in scope. To meet the specific needs of industries not covered by the 'free list', 258 industries (as against a previous 148) were made eligible to import essential inputs while other industries could use the bonus vouchers for imports of raw materials and spares without any upper limit. But the stringent foreign exchange situation that developed during the year forced a certain retreat from liberalization. In September 1967, the number of items on the 'free list' was drastically slashed to only 10. So far the Pakistan measures appear to be more in the nature of tactics than a reversal of the strategy of liberalization which has been followed throughout this decade. In this instance, restrictions were followed (after the devaluation of sterling) by the imposition of a considerable number of tariffs and the increase of existing rates.

Unlike the countries mentioned so far, *India* and Ceylon adopted policies of liberalization in circumstances of very unfavourable trade results.

Following the devaluation of the rupee, India moved purposefully towards selective liberalization of imports by enabling 59 priority industries, largely export-oriented, to import their full requirements of raw materials, components and spares. Essential raw materials such as raw jute, raw cashew nuts, wattle bark and raw hides and skins were placed on the Open General licence. The import policy announced for 1967/68 went further in giving greater freedom to select the cheapest sources of imported supplies.

The extent to which the volume of imports will be at the discretion of importing industries, and the rate of imports into the remaining industries are obviously critical questions in an appraisal of the Indian policy. Its adoption coincides with restraint in development expenditure and with growing emphasis, in the budget and general economic policy, on internal stabilization.

In *Ceylon*, the import licensing policy was rationalized and liberalized during 1967 in spite of the tightened foreign resource position. Import duties were waived on the import of raw materials for the manufacture of agricultural implements, irrigation pumps, fisheries equipment, marine and diesel engines. Industries using imported inputs have been classified into four categories. Category 1 industries are allowed to import according to needs; category 2, up to 125 per cent of 1966 imports; category 3, up to 100 per cent of 1966 imports and category 4, up to 25 per cent of imports in 1966.

Not all countries have adopted policies of liberalization. Burma, Iran, Malaysia and the Philippines — the latter two with their own record of liberalization — went in the direction of further restriction.

With a worsening trade balance, the *Philippines* in September 1967 imposed restrictions on the import of non-essential goods. Imports of a wide range of non-essential products are increasingly restricted in *Malaysia*, partly for protective reasons and partly because of the continued fall in export earnings. To increase revenue and to afford protection to domestic industry, *Iran* announced increases in tariffs ranging from 50 to 200 per cent on imports for the year ending March 1968.

# ASIAN ECONOMIC STATISTICS

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## UNITS AND SYMBOLS EMPLOYED

Unless otherwise stated "tons" relate to metric tons, "dollars" relate to United States dollars, and "billion" signifies a thousand million.

The following symbols have been used throughout:

* = 12 months beginning 20-23 March of the year stated.
‡ = 12 months beginning April of the year stated.
† = 12 months ending September of the year stated.
ø = 12 months ending June of the year stated.
Mn = million.
I, II, III, and IV for quarters of years.

. = not applicable.
... = not available.
— = nil or negligible.
r = revised figures from this issue.
Figures in italics are provisional or unofficial.

Substantial breaks in the homogeneity of a series are indicated either by a horizontal line across the column or by vertical double lines in a row of figures.

## SOURCES

To ensure comparability, data compiled or published by the United Nations Statistical Office have been incorporated wherever feasible; material supplied by governments, publications of governments, of the United Nations specialized agencies and of international commodity study groups have been used as additional sources.

*(See also explanatory note on page iv, Economic Survey of Asia and the Far East, 1967)*

# REGIONAL STATISTICS

## 1. DEVELOPING ECAFE REGION: REGIONAL STATISTICAL SERIES

*Annual and quarterly figures*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1966 | | | 1967 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | II | III | IV | I | II | III |
| POPULATION *(Midyear estimates, million)* | | | | | | | | | | | | | |
| Including mainland China | *1,524* | *1,556* | *1,587* | *1,620* | *1,656* | *1,690* | *1,725* | . | . | . | . | . | . |
| Excluding mainland China | 864 | 886 | 907 | 930 | 956 | *979* | *1,005* | . | . | . | . | . | . |
| AGRICULTURAL PRODUCTION | | | | | | | | | | | | | |
| Index of agricultural production[a] *(1952—1956=100)* | | | | | | | | | | | | | |
| All commodities | 124 | 126 | 129 | 132 | 130 | 131 | 139 | . | . | . | . | . | . |
| Food | 124 | 126 | 129 | 133 | 129 | 130 | 138 | . | . | . | . | . | . |
| Per capita food | 106 | 105 | 105 | 105 | 100 | 98 | 102 | . | . | . | . | . | . |
| Cereals *(million tons)* | | | | | | | | | | | | | |
| Rice (paddy) | 120.7 | 118.6 | 128.3 | 133.2 | 119.4 | 119.7 | 135.0 | . | . | . | . | . | . |
| Wheat | 20.4 | 21.6 | 20.4 | 19.4 | 22.7 | 20.2 | 22.6 | . | . | . | . | . | . |
| Maize | 10.8 | 12.2 | 11.6 | 13.2 | 11.9 | 13.1 | 13.6 | . | . | . | . | . | . |
| Millet and sorghum | 16.6 | 18.5 | 17.9 | 19.0 | 14.8 | 17.5 | 19.9 | . | . | . | . | . | . |
| Starchy root crops *(million tons)* | | | | | | | | | | | | | |
| Potatoes | 3.9 | 3.6 | 4.5 | 3.9 | 5.1 | 5.6 | 5.1 | . | . | . | . | . | . |
| Sweet potatoes and yams | 9.6 | 10.6 | 9.3 | 12.7 | 11.8 | 11.2 | 12.3 | . | . | . | . | . | . |
| Cassava | 16.4 | 16.9 | 17.3 | 18.5 | 16.6 | 17.5 | 17.8 | . | . | . | . | . | . |
| Oilseeds *(million tons)* | | | | | | | | | | | | | |
| Groundnuts (in shell) | 6.1 | 6.3 | 6.3 | 7.0 | 5.4 | 5.6 | 7.2 | . | . | . | . | . | . |
| Copra | 2.7 | 2.5 | 2.7 | 2.7 | 2.7 | 2.9 | 2.6 | . | . | . | . | . | . |
| Tea *(thousand tons)* | 701.2 | 706.4 | 708.2 | 743.5 | 755.6 | 762.3 | 768.9 | *178.0* | *240.0* | *195.0* | ... | ... | ... |
| Tobacco *(thousand tons)* | 699.1 | 828.9 | 848.8 | 884.9 | 873.0 | 883.0 | 983.0 | . | . | . | . | . | . |
| Fibres *(thousand tons)* | | | | | | | | | | | | | |
| Cotton (lint) | 1,403 | 1,604 | 1,756 | 1,646 | 1,598 | 1,636 | 1,821 | . | . | . | . | . | . |
| Jute and allied fibers | 3,157 | 2,643 | 2,741 | 2,721 | 2,835 | 2,983 | 3,039 | . | . | . | . | . | . |
| Natural rubber *(thousand tons)* | 1,946 | 1,980 | 1,930 | 2,054 | 2,181 | 2,233 | 2,280 | 535 | 573 | 596 | *550* | *515* | ... |
| INDUSTRIAL PRODUCTION | | | | | | | | | | | | | |
| Index of industrial production[b] *(1963=100)* | | | | | | | | | | | | | |
| Mining and manufacturing | 85 | 92 | 100 | 109 | 117 | 124 | *130* | 123 | 122 | 126 | 130 | 129 | *131* |
| Mining | 88 | 95 | 100 | 110 | 120 | 126 | *143* | 128 | 122 | 127 | 139 | 142 | *145* |
| Manufacturing | 85 | 91 | 100 | 108 | 116 | 123 | *126* | 121 | 121 | 125 | 127 | 124 | *126* |
| Light manufacturing | 88 | 93 | 100 | 106 | 114 | 121 | *122* | 121 | 118 | 120 | 123 | 120 | *124* |
| Heavy manufacturing | 80 | 89 | 100 | 110 | 119 | 126 | *132* | 122 | 126 | 132 | 134 | 130 | *130* |
| Food, beverages, tobacco | 96 | 98 | 100 | 107 | 115 | 127 | *121* | 127 | 117 | 124 | 128 | 112 | *118* |
| Textiles | 90 | 95 | 100 | 108 | 111 | 110 | *116* | 109 | 114 | 114 | 108 | 116 | *119* |
| Paper and paper products | 86 | 89 | 100 | 112 | 116 | 129 | *142* | 128 | 129 | 136 | 132 | 141 | *146* |
| Chemicals, petroleum and coal products | 78 | 87 | 100 | 112 | 122 | 136 | *156* | 132 | 134 | 148 | 148 | 151 | *156* |
| Non-metallic mineral products | 84 | 96 | 100 | 113 | 119 | 128 | *146* | 124 | 131 | 138 | 136 | 145 | *147* |
| Basic metals | 86 | 86 | 100 | 118 | 121 | 137 | *166* | 132 | 139 | 151 | 157 | 164 | *170* |
| Metal products | 80 | 91 | 100 | 121 | 125 | 143 | *180* | 140 | 146 | 157 | 167 | 174 | *182* |
| Electricity and gas | 82 | 89 | 100 | 113 | 122 | 134 | *153* | 128 | 137 | 143 | 147 | 146 | *157* |
| Coal *(million tons)* | 68.3 | 75.6 | 81.9 | 79.2 | 84.5 | 86.6 | *92.3* | 22.2 | 21.6 | 22.8 | 23.7 | 24.1 | 22.8 |
| Iron ore *(million tons)* | 27.45 | 28.31 | 29.99 | 30.28 | 33.43 | 35.89 | *35.0* | 9.82 | 8.81 | 8.12 | 8.38 | 9.14 | 8.25 |
| Tin in concentrates *(thousand tons)* | 90.6 | 93.5 | 91.2 | 94.5 | 100.2 | 106.5 | *110.6* | 26.2 | 27.4 | 28.0 | 26.6 | 26.9 | 28.2 |
| Petroleum, crude *(million tons)* | 85.91 | 94.08 | 101.55 | 114.20 | 129.65 | 137.14 | *162.18* | ... | ... | ... | ... | ... | ... |
| Salt *(thousand tons)* | 5,641 | 6,678 | 7,284 | 7,294 | 7,802 | 7,410 | *9,162* | ... | ... | ... | ... | ... | ... |
| Sugar *(thousand tons)* | 6,683 | 6,495 | 6,091 | 6,860 | 7,862 | 8,040 | *8,404* | ... | ... | ... | ... | ... | ... |
| Cotton yarn *(thousand tons)* | 1,272 | 1.313 | 1,362 | 1,472 | 1,466 | 1,450 | *1,458* | 357 | 373 | 366 | 336 | 363 | 375 |
| Cotton fabrics *(million metres)* | 6,451 | 6,442 | 6,508 | 6,859 | 5,628 | 5,278 | *5,311* | 1,369 | 1,381 | 1,330 | 1,219 | 1,330 | 1,387 |
| Jute manufactures *(thousand tons)* | 1,261 | 1,523 | 1,624 | 1,633 | 1,714 | 1,556 | *1,545* | 348 | 378 | 399 | 390 | 395 | 402 |
| Paper excluding paperboard *(thousand tons)* | 422 | 448 | 510 | 566 | 589 | 654 | *654* | 158 | 167 | 168 | 157 | 164 | 164 |
| Vegetable oils *(thousand tons)* | 1,058 | 1,153 | 1,164 | 1,404 | *1,492* | 1,189 | *1,375* | 296 | 278 | 307 | 313 | 313 | 324 |
| Cement *(million tons)* | 15.1 | 16.6 | 18.0 | 19.3 | 21.7 | 23.6 | *24.5* | 5.5 | 5.7 | 5.9 | 5.7 | 6.2 | 6.2 |
| Steel (ingots and metal for castings) *(thousand tons)* | 4,334 | 5,454 | 6,363 | 6,413 | 6,845 | 7,198 | *7,160* | 1,783 | 1,736 | 1,855 | 1,871 | 1,755 | 1,761 |
| Tin metal *(thousand tons)* | 82.4 | 85.4 | 87.4 | 74.3 | 81.1 | 91.0 | *103.4* | 22.0 | 23.1 | 24.0 | 27.7 | 26.4 | 27.4 |
| Electricity *(billion kWh)* | 31.4 | 38.0 | 43.3 | 50.0 | 60.5 | 62.6 | *69.6* | 15.3 | 16.2 | 16.4 | 16.3 | 17.3 | 17.9 |
| TRANSPORT[c] | | | | | | | | | | | | | |
| Railway traffic *(billion)* | | | | | | | | | | | | | |
| Passenger kilometres | 120.1 | 122.8 | 128.6 | 134.8 | *135.3* | *140.1* | ... | 34.3 | *33.2* | *33.6* | *31.4* | *32.3* | ... |
| Freight ton-kilometres | 95.7 | 103.5 | 110.4 | 116.6 | *129.9* | *132.2* | ... | 32.0 | *33.6* | *38.4* | *31.3* | *31.6* | ... |
| International sea-borne shipping[d] *(million tons)* | | | | | | | | | | | | | |
| Freight loaded | 120.4 | 124.6 | 134.5 | 149.2 | 170.0 | *170.5* | ... | 45.1 | *42.2* | *33.8* | *47.9* | *50.3* | ... |
| Freight unloaded | 73.2 | 78.3 | 83.5 | 92.7 | 99.2 | *114.8* | ... | 20.7 | *22.7* | *23.0* | *23.6* | *24.5* | ... |
| EXTERNAL TRADE | | | | | | | | | | | | | |
| Total value *(million US dollars)* | | | | | | | | | | | | | |
| Exports | 8,354 | 8,603 | 9,310 | 10,042 | 10,564 | *11,037* | ... | 2,796 | 2,748 | 2,801 | *2,858* | *2,745* | *3,113* |
| Imports | 10,534 | 10,789 | 11,487 | 12,592 | 13,374 | 14,320 | ... | *3,429* | *3,609* | *3,914* | *3,977* | *3,981* | *3,755* |
| Quantum index[e] *(1958=100)* | | | | | | | | | | | | | |
| Exports | 113 | 119 | 129 | 130 | 137 | 141 | ... | 140 | 140 | 145 | 145 | 144 | ... |
| Imports | 122 | 129 | 134 | 142 | 147 | 160 | ... | 152 | 166 | 174 | 165 | 173 | ... |
| Unit value index[e] *(1958=100)* | | | | | | | | | | | | | |
| Exports | 104 | 101 | 102 | 103 | 106 | 108 | ... | 108 | 107 | 108 | 107 | 108 | ... |
| Imports | 100 | 99 | 100 | 102 | 104 | 103 | ... | 104 | 102 | 103 | 105 | 106 | ... |
| Terms of trade[e] *(1958=100)* | 105 | 102 | 102 | 101 | 103 | 104 | ... | 104 | 106 | 105 | 102 | 102 | ... |

## 1. DEVELOPING ECAFE REGION: REGIONAL STATISTICAL SERIES *(Cont'd)*

*Annual and quarterly figures*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1966 | | | 1967 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | II | III | IV | I | II | III |
| EXTERNAL TRADE *(Cont'd)* | | | | | | | | | | | | | |
| Direction of trade[f] *(million US dollars)* | | | | | | | | | | | | | |
| Exports to:— | | | | | | | | | | | | | |
| ECAFE countries | 2,911 | 2,871 | 3,309 | 3,571 | 3,693 | *3,915* | ... | 996 | *1,003* | *1,034* | *1,037* | ... | ... |
| Western Europe (including U.K.) | 2,535 | 2,466 | 2,681 | 2,599 | *2,680* | *2,618* | ... | 642 | *648* | *624* | *660* | ... | ... |
| U.K. | 1,082 | 1,112 | 1,151 | 1,106 | *1,018* | *1,000* | ... | 252 | *240* | *251* | *260* | ... | ... |
| U.S.A. | 1,234 | 1,277 | 1,338 | 1,528 | *1,716* | *1,826* | ... | 455 | *493* | *444* | *462* | ... | ... |
| Sterling area | 2,956 | 2,931 | 3,089 | 3,109 | 3,088 | *2,977* | ... | 756 | *745* | *766* | *767* | ... | ... |
| Imports from:— | | | | | | | | | | | | | |
| ECAFE countries | 3,678 | 3,862 | 4,072 | 4,245 | 4,703 | *5,188* | ... | 1,268 | *1,346* | *1,435* | *1,403* | ... | ... |
| Western Europe (including U.K.) | 3,174 | 2,998 | 2,929 | 3,071 | 3,476 | *3,356* | ... | 859 | *843* | *845* | *887* | ... | ... |
| U.K. | 1,351 | 1,339 | 1,299 | *1,214* | 1,310 | *1,229* | ... | 312 | *304* | *297* | *319* | ... | ... |
| U.S.A. | 1,792 | 2,176 | 2,449 | 2,556 | 2,875 | *2,956* | ... | 793 | *767* | *844* | *846* | ... | ... |
| Sterling area | 2,739 | 2,664 | 2,619 | 2,704 | *2,825* | *2,799* | ... | 700 | *711* | *728* | *765* | ... | ... |
| Exports of primary products[g] | | | | | | | | | | | | | |
| Quantum index *(1958=100)* | | | | | | | | | | | | | |
| General | 115 | 116 | 130 | *139* | 146 | *147* | ... | *147* | *144* | *148* | *150* | *146* | *142* |
| Food | 109 | 107 | 119 | *123* | 119 | *109* | ... | *113* | *107* | *101* | *124* | 99 | *108* |
| Agricultural materials | 104 | 109 | 119 | *122* | 127 | *134* | ... | *127* | *129* | *146* | *137* | *132* | *127* |
| Mineral products | 150 | 146 | 175 | 203 | 236 | *237* | ... | *248* | *239* | *233* | *222* | 254 | *233* |
| Unit value index *(1958=100)* | | | | | | | | | | | | | |
| General | 99 | 97 | 98 | 96 | 93 | *90* | ... | *90* | *91* | *88* | *88* | *86* | *84* |
| Food | 97 | 96 | 103 | *103* | 97 | *95* | ... | *100* | *98* | *89* | *94* | *100* | *92* |
| Agricultural materials | 109 | 104 | 102 | *98* | 97 | *94* | ... | *92* | *94* | *92* | *89* | *83* | *81* |
| Mineral products | 87 | 87 | 86 | 86 | 84 | *82* | ... | *81* | *82* | *83* | *82* | *81* | *83* |
| Quantity of exports *(thousand tons)* | | | | | | | | | | | | | |
| Food | | | | | | | | | | | | | |
| Fish, fresh or simply preserved | 74 | 89 | 97 | *107* | 87 | 114 | ... | *26* | *22* | *36* | *92* | *25* | *67* |
| Cereals[h] | 4,375 | 3,902 | 4,831 | 5,316 | 4,889 | 4,345 | ... | *1,244* | *1,034* | *915* | *1,165* | *973* | *688* |
| Sugar | 1,989 | 1,966 | 2,279 | 2,296 | 2,151 | 2,169 | ... | 623 | 504 | 394 | *600* | *616* | *482* |
| Tea | 452 | 466 | 476 | 471 | 488 | *437* | ... | *101* | *112* | *117* | *120* | *84* | *135* |
| Spices | 114 | 116 | 115 | 113 | 106 | *96* | ... | *18* | *27* | *22* | *27* | *34* | *33* |
| Agricultural materials | | | | | | | | | | | | | |
| Hides and skins, raw | 32 | 37 | 31 | *24* | 24 | 22 | ... | 7 | 5 | 4 | *6* | *7* | *4* |
| Oilseeds, oil nuts & oil kernels | 1,103 | 1,117 | 1,326 | 1,270 | 1,150 | *1,263* | ... | *310* | *351* | *304* | *248* | *210* | *229* |
| Rubber, natural | 1,914 | 1,875 | 1,884 | 2,066 | 2,145 | *2,191* | ... | *534* | *524* | *616* | *583* | *547* | *586* |
| Wood and lumber | 4,746 | 5,326 | 6,634 | 6,877 | 8,446 | *10,601* | ... | *2,637* | *2,870* | *2,790* | *2,185* | *2,694* | *2,737* |
| Cotton, raw | 177 | 210 | 310 | *221* | 303 | *262* | ... | *44* | *48* | *58* | *122* | *99* | *55* |
| Jute, raw | 603 | 741 | 738 | *755* | 704 | 675 | ... | 129 | 70 | 212 | 157 | 179 | 68 |
| Hemp, raw | 100 | 108 | 132 | 123 | 100 | 87 | ... | *19* | *23* | 23 | 26 | *20* | *22* |
| Vegetable oils, not essential | 463 | 554 | 652 | 713 | 629 | *785* | ... | *185* | *221* | *225* | *153* | *145* | *153* |
| Mineral products | | | | | | | | | | | | | |
| Iron ore *(million tons)* | 11.54 | 11.47 | 16.90 | 18.72 | 19.70 | 20.77 | ... | 5.47 | 4.92 | 4.65 | *5.17* | *5.31* | 4.32 |
| Tin ore and concentrates | 32 | 33 | 31 | 29 | 23 | 8 | ... | 1 | *2* | *2* | *2* | *3* | *2* |
| Manganese ore | 1,013 | 777 | 924 | 1,576 | 1,147 | 1,348 | ... | 377 | 284 | 208 | 318 | 271 | 209 |
| Coal | 1,424 | 1,486 | 1,224 | 1,592 | 1,131 | 518 | ... | 145 | 138 | 110 | 97 | 112 | 75 |
| Crude petroleum *(million tons)* | 56.0 | 54.6 | 65.2 | 75.5 | 92.3 | *93.3* | ... | *24.5* | *23.9* | *23.5* | *21.8* | *25.3* | *23.7* |
| GOLD AND FOREIGN EXCHANGE ASSETS[i], *(end of period, million US dollars)* | 3,873 | 3,741 | 3,766 | 3,644 | 4,009 | 4,478 | ... | 4,466 | 4,501 | 4,478 | 4,440 | 4,464 | *4,498* |

GENERAL NOTES: In general, the regional statistical series cover the developing ECAFE countries (excluding the developed ECAFE countries of Australia, Japan and New Zealand) except mainland China, Mongolia, Nepal and, in most cases, Afghanistan and Iran; in some cases, other countries have also been omitted because of lack of data. Except in the case of mainland China, countries omitted in the regional series are, from the point of view of the series, usually less important. To maintain comparability, the countries included in different periods for each series are the same.

a. This index was compiled and calculated by Food and Agriculture Organization of the United Nations.

b. This index compiled by the United Nations Statistical Office covers Afghanistan, Brunei, Burma, Ceylon, China (Taiwan), Hong Kong, India, Indonesia, Iran, Republic of Korea, Malaysia (excluding Sabah), Pakistan, Philippines, Singapore, Thailand and Republic of Viet-Nam. For more detailed statistics and explanatory notes see United Nations *Monthly Bulletin of Statistics*.

c. For countries covered see table 18 but excluding developed ECAFE countries.

d. Excluding India for quarterly figures.

e. This index compiled by the United Nations Statistical Office covers Afghanistan, Brunei, Burma, Cambodia, Ceylon, China (Taiwan), Hong Kong, India, Indonesia, Republic of Korea, Laos, Macau, Malaysia, Pakistan, Philippines, Singapore, Ryukyu Islands, Thailand and the Republic of Viet-Nam. The quantum indexes are of the Laspeyres type and the unit value indexes are of the Paasche type. The index of terms of trade is the result of dividing the export unit value index by the import unit value index. For more detailed statistics and explanatory notes on the method of construction, see United Nations *Yearbook of International Trade Statistics*, 1965.

f. For countries covered, see table 20 but excluding developed ECAFE countries.

g. Exports of 18 primary products and food from 18 developing ECAFE countries and territories (excluding mainland China, Mongolia and Nepal) are included in the index. To minimize the effect of transit trade, only export of domestic produce is included for Hong Kong and net export of rubber is used for Malaysia. The quantity of exports of each item is totalled for 18 countries and territories and relatives have been then weighted by the total value of exports of each commodity in 18 countries and territories in terms of United States dollars in 1958 to form the quantum index. The unit value index is obtained by dividing the index of total value of exports in United States dollars by the quantum index. The commodities included in the index account for 49 per cent of the total value of exports from 18 countries. (If Hong Kong is excluded, the percentage is increased to 52.)

h. Comprising maize, rice and rice products only.

i. Covers Burma, Cambodia, Ceylon, China (Taiwan), India, Indonesia, Iran, Republic of Korea, Malaysia (prior to 1963, for West Malaysia only), Pakistan, Philippines, Thailand and Republic of Viet-Nam. Since 1962 excluding Indonesia.

## POPULATION AND EMPLOYMENT

### 2. AREA AND POPULATION

| | Area *(km$^2$)* | Latest census | | Estimates of midyear population *(thousand)* | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Date | Population | 1937 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 |
| Afghanistan | 647,497 | ... | ... | 10,972 | 14,042 | 14,287 | 14,537 | 14,792 | 15,051 | 15,397 | 15,751 |
| Brunei[a] | 5,765 | 10/ 8/1960 | 83,877 | 35 | 87 | 91 | 94 | 97 | 101 | 104 | ... |
| Burma | 678,033 | 5/ 3/1941 | 16,823,798[b] | 15,635[b1] | 22,780 | 23,253 | 23,735 | 24,229 | 24,732 | 25,246 | (25,811) |
| Cambodia[c] | 181,035 | 17/ 4/1962 | 5,728,771 | 3,046[c1] | 5,600+ | 5,770+ | 5,892 | 6,022 | 6,115 | 6,320+ | ... |
| Ceylon | 65,610 | 8/ 7/1963 | 10,590,060 | 5,725 | 10,168 | 10,443 | (10,590) | 10,971 | *(11,232)* | *(11,491)* | *(11,741)* |
| China: mainland | 9,561,000 | 30/ 6/1953 | 582,603,417[d] | 452,460 | 660,000+ | 670,000+ | 680,000+ | 690,000+ | 700,000+ | 710,000+ | ... |
| Taiwan[e] | 35,961 | 16/12/1966 | 13,383,357 | 5,530 | 10,971 | 11,349 | 11,696 | 12,070 | (12,443) | (12,811) | 13,142 |
| Hong Kong[f] | 1,034[f1] | 7/ 3/1961 | 3,133,131 | 1,282 | 3,175 | 3,347 | 3,504 | 3,594 | 3,692 | 3,732 | (3,834) |
| India[g] | 3,268,090 | 1/ 3/1961 | 435,511,606[g1] | 303,626[g2] | 439,002 | 449,640 | 460,487 | 471,624 | 486,811 | 498,680 | 511,115 |
| Indonesia[h] | 1,491,564 | 31/10/1961 | *96,318,829* | 67,398[h1] | 95,655 | 97,765 | 100,045 | 102,200+ | 104,500+ | 107,000+ | ... |
| Iran | 1,648,000 | 1/11/1966 | 25,781,090 | ... | 22,100+ | 22,700+ | 23,300+ | 23,900+ | 24,549+ | 25,500+ | ... |
| Korea | 220,231[i] | 1/ 5/1944 | 25,120,174[i1] | 21,528 | 36,302+ | 37,325+ | 38,368+ | 39,431+ | 40,477+ | 41,486+ | ... |
| Republic of Korea[i2] | (98,477) | 1/10/1966 | 29,207,856 | ... | 25,402 | 26,125 | 26,868 | 27,631 | 28,377 | 29,086 | 29,784 |
| Laos | 236,800 | ... | ... | 1,012[j] | 2,390+ | 2,450+ | 2,510+ | 2,570+ | 2,635 | 2,700+ | ... |
| Malaysia:[a] | | | | | | | | | | | |
| East: Sabah | 76,115 | 9/ 8/1960 | 454,421 | 295[k] | 471 | 489 | 505 | 523 | 544 | 565 | 588 |
| Sarawak | 125,205 | 14/ 6/1960 | 744,529 | 440 | 760 | 778 | 799 | 818 | 838 | 862 | 902 |
| West | (131,313) | 17/ 6/1957 | 6,278,758 | 4,083 | 7,137 | 7,377 | 7,611 | 7,814 | 8,039 | 8,298 | ... |
| Mongolia | 1,565,000 | 5/ 1/1963 | 1,017,100[i1] | 748[j] | 983 | 1,007+ | 1,030+ | 1,050+ | 1,104 | 1,140+ | ... |
| Nepal | 140,797 | 22/ 6/1961 | 9,412,996 | 6,000 | 9,390+ | 9,550+ | 9,730+ | 9,920+ | 10,100 | 10,294 | ... |
| Pakistan[m] | 946,716 | 1/ 2/1961 | 93,831,982 | 68,594 | *(94,647)* | *(96,640)* | *(98,675)* | *(100,753)* | *(102,876)* | *(105,044)* | *(107,258)* |
| Philippines | 300,000 | 15/ 2/1960 | 27,087,685 | 15,445 | 28,313 | 29,257 | 30,241 | 31,270 | 32,345 | 33,477 | 34,656 |
| Singapore[n] | 581 | 17/ 6/1957 | 1,445,929 | 651 | 1,687 | 1,733 | 1,775 | 1,820 | 1,865 | 1,914 | 1,956 |
| Thailand | 514,000 | 25/ 4/1960 | 26,257,916 | 14,492 | (27,210) | (28,054) | (28,923) | (29,820) | (30,744) | (31,698) | 32,680 |
| Viet-Nam | 329,556 | ... | ... | 18,980[p] | 31,184+ | 32,129+ | 33,117+ | 34,115+ | 35,124+ | 36,043+ | ... |
| Republic of Viet-Nam[p1] | 170,906 | ... | ... | ... | 14,494 | 14,929 | 15,317 | 15,715 | 16,124 | 16,543 | (16,973) |
| Western Samoa | 2,842 | 21/11/1966 | 131,380 | 56 | 114 | 117 | 120 | 123 | 127 | 130 | 135 |
| Australia[q] | 7,686,810 | 30/ 6/1966 | 11,540,764 | *6,836* | 10,508 | 10,699 | 10,903 | 11,116 | 11,333 | 11,541 | 11,751 |
| Japan[s] | 369,661 | 1/10/1965 | 98,274.961 | 70,040[s1] | (94,055) | (94,933) | (95,900) | (96,903) | (97,952) | 98,865 | (99,921) |
| New Zealand[t] | (268,675) | 22/ 3/1966 | 2,676,919 | 1,587 | 2,420 | 2,485 | 2,538 | 2,594 | 2,640 | 2,676 | 2,726 |

*Source:* United Nations Statistical Office, except those in brackets which are from latest national sources.

*General note:* For details and explanatory notes, see United Nations Demographic Yearbook 1966.

+ United Nations estimate.

a. Population excludes transients afloat.

b. Results of last complete census. The first and second stages of a multi-stage census were completed on 1 Feb. 1953 and 1 Feb. 1954, respectively, but no further enumeration was undertaken. The results of the first stage gave a total of 2,940,704 for the de jure population in 252 towns approximating the urban area of the Union; in the second stage an additional 2,908,001 persons were enumerated in 3,159 village tracts of which 2,143 in Burma proper and 1,016 in Kachin State, roughly 15 per cent of the total rural area.

b1. 1931 Census area.

c. Population excludes foreign diplomatic personnel and their dependants.

c1. Midyear 1936 estimate.

d. Population registered, plus an estimate of 8,397,477 for persons living in outlying areas where local registration offices were not established. No adjustment has been made for 0.1 per cent estimated net underenumeration. Source: *Hsin Hua Monthly.*

e. Excluding Quemoy and Matsu and also armed forces and foreigners.

f. Comprising Hong Kong Island, Kowloon and the New (leased) Territories.

f1. Land area only. Total, including ocean area within administrative boundaries, is 2,916 km$^2$.

g. Beginning 1965, including data for part of Jammu and Kashmir, the final status of which has not yet been determined. Excluding Sikkim.

g1. Includes an estimate of 626,667 for Goa, Daman and Diu.

g2. Including Kashmir-Jammu, the final status of which has not yet been determined and Sikkim. Excluding Mahe, Karikal, Pondicherry and Yanaon (together population estimated at 323,000 in 1952), Chandernagore, Goa, Daman and Diu.

h. Excluding West Irian.

h1. Including West Irian.

i. Includes the area of the demilitarized zone (1,262 km$^2$).

i1. Population is *de jure*.

i2. Population excludes alien armed forces, civilian aliens employed by armed forces, and foreign diplomatic personnel and their dependants.

j. 31 December estimate.

k. Excluding Labuan acquired from Straits Settlement in 1946 (population 7,507 at 1 April 1931 census).

m. Data are for territory excluding Kashmir-Jammu, the final status of which has not yet been determined: data also exclude Junagardh, Manavadar, Gilgit and Baltistan, and census data probably also exclude a considerable number of nomads.

n. Population excludes transients afloat and non-locally domiciled military and civilian services personnel and their dependants, numbering 3,466 and 27,299 respectively at 1957 census.

p. For 1936.

p1. Beginning 1962, estimates based on annual rate of increase (2.6 per cent).

q. Population excludes full-blooded aborigines estimated at 40,081 in June 1961, and armed forces stationed outside country, numbering 48,106 in May 1959.

s. Comprising Hokkaido, Honshu, Shikoku, Kyushu, the Amami Islands, and the Tokara Archipelago. Population excludes diplomatic personnel outside country and Allied military and civilian personnel and their dependants stationed in the area.

s1. Excluding Tokara Archipelago and Amami Islands. Also excluding armed forces outside country. Including foreign diplomatic personnel. I October estimate.

t. Including Campbell and Kermadec Islands (population 18 in 1966, area 148 km$^2$), as well as Antipodes, Auckland, Bounty, Snares, Solander, and Three Kings Islands, all of which are uninhabited. Population excludes diplomatic personnel and armed forces stationed outside country, the latter numbering 1,936 at 1966 census; population also excludes alien armed forces within the country.

## 3. CRUDE RATES OF LIVE BIRTHS AND DEATHS PER ANNUM

*Number of Live Births or Deaths per 1,000 persons*

| | Brunei | Burma[a]@ | Ceylon@ | China[b]@ (Taiwan) | Hong Kong[c]@ | India[d] | Iran@[e] | Malaysia | | | Philip-pines@ | Singa-pore[g] | Thai-land@ | Viet-Nam Republic of[h] | Western Samoa[i]@ | Aus-tralia[j]@ | Japan[k] | New Zealand@ |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | East | | West[f] | | | | | | | | |
| | | | | | | | | Sabah@ | Sarawak | | | | | | | | | |
| **(1) LIVE BIRTHS** | | | | | | | | | | | | | | | | | | |
| 1935-39 | ... | 32.1 | 35.6 | 44.7 | 26.7[m] | 33.8 | ... | ... | ... | 40.2 | 32.3 | 46.0@ | 34.9 | ... | 34.0 | 17.2 | 29.2 | 18.8 |
| 1940-44 | ... | ... | 36.6 | 41.7[m] | 25.2[n] | 29.1 | ... | ... | ... | 39.4[m] | 32.5[n] | 44.9@[m] | 35.2 | ... | 37.4 | 19.5 | 30.1 | 22.8 |
| 1945-49 | 44.0[m] | 36.1[m] | 38.2 | 40.2[m] | ... | 27.0[m] | 31.4[m] | 21.6[m] | ... | 42.6[m] | 30.5[m] | 46.4@[m] | 24.4 | ... | 38.0 | 23.1 | 30.2 | 26.5 |
| 1950 | 50.7 | 39.6 | 39.7 | 43.3 | ... | 24.9 | 33.3 | 28.0 | 21.3 | 42.3 | 31.7 | 45.4@ | 26.7 | ... | 44.4 | 23.3 | 28.2 | 25.9 |
| 1956 | 59.1 | (35.7) | 36.4 | 44.8 | 37.0 | 21.7 | 45.0[p] | 31.1 | 23.4 | 46.7 | 31.2 | 44.4 | (33.0) | 38.1 | 42.3 | 22.5 | 18.5 | 26.0 |
| 1957 | 45.5 | (35.8) | 36.5 | 41.4 | 35.8 | 21.1 | | 36.1 | 22.2 | (46.2) | 29.9 | 43.4 | 32.2 | 33.9 | 39.2 | 22.9 | 17.3 | 26.2 |
| 1958 | 57.9 | 36.6 | 35.8 | 41.7 | 37.4 | 21.5 | | 38.4 | 26.3 | 43.3 | 29.7 | 42.0 | 31.8 | 34.4 | 37.3 | 22.6 | 18.1 | 26.6 |
| 1959 | 52.5 | (39.8) | 37.0 | 41.2 | 35.2 | 21.9 | | 30.4 | 25.3 | 42.2 | 30.4 | 40.3 | 33.6 | 31.1 | 37.8 | 22.6 | 17.6 | 26.5 |
| 1960 | 48.9 | 42.3 | 36.6 | 39.5 | 36.0 | 21.1 | ... | 34.6 | 25.1 | 40.9 | 29.6 | 38.7 | 34.7 | (29.9) | 35.1 | 22.4 | 17.2 | 26.5 |
| 1961 | 49.4 | 38.5 | 35.8 | 38.3 | 34.2 | 21.0 | 39.9 | 35.0 | 25.9 | 41.9 | 27.7 | 36.5 | 33.6 | 25.6 | 31 3 | 22.8 | 16.9 | 27.1 |
| 1962 | 43.8 | 36.7 | 35.5 | 37.4 | 33.4 | 20.9 | 39.9 | 34.8 | 28.7 | 40.4 | 28.4 | 35.1 | (34.7) | 23.4 | 34.3 | 22.2 | 16.9 | 26.2 |
| 1963 | 37.5 | 42.7 | 34.5 | 36.3 | 32.9 | 20.3 | 35.9 | 33.2 | 25.8 | 39.4 | 26.0 | 34.7 | (35.3) | (26.6) | 32.4 | 21.6 | 17.3 | 25.5 |
| 1964 | 43.0 | 39.9 | 33.0 | 34.5 | 30.2 | 20.8 | 37.8 | 34.2 | 27.3 | 39.1 | 25.7 | 33.2 | (37.5) | 28.4 | 32.3 | 20.6 | 17.7 | 24.1 |
| 1965 | 41.5 | 47.0 | *32.9* | 32.7 | 27.7 | ... | 48.0[q] | 36.5 | 28.0 | 36.7 | 24.6 | 31.1 | 36.4 | (27.7) | 30.7 | 19.7 | 18.6 | 22.8 |
| 1966 | 39.3 | (52.6) | *(32.0)* | (32.4) | 24.9 | ... | 42.5 | 35.4 | 28.9 | 37.3 | 24.4 | 29.8 | ... | ... | 28.6 | 19.3 | 13.7 | 22.5 |
| 1967 | | | | | | | | | | | | | | | | | | |
| I | ... | ... | ... | 28.5 | 23.5 | ... | ... | ... | ... | ... | ... | 23.6 | ... | ... | (5.1) | 19.8 | 22.2 | 22.9 |
| II | ... | ... | ... | 26.5 | 20.3 | ... | ... | ... | ... | ... | ... | 25.5 | ... | ... | (4.4) | 19.7 | 18.9 | 21.9 |
| III | ... | ... | ... | 28.0 | 24.1 | ... | ... | ... | ... | ... | ... | 27.5 | ... | ... | (8.5) | 19.4 | (18.8) | 22.5 |
| IV | ... | ... | ... | ... | 25.2 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **(2) DEATHS** | | | | | | | | | | | | | | | | | | |
| 1935-39 | ... | 22.0 | 24.5 | 20.2 | 29.1[m] | 22.6 | ... | ... | ... | 20.8 | 16.7 | 22.1 | 16.4 | ... | 10.7 | 9.6 | 17.4 | 9.6 |
| 1940-44 | ... | ... | 19.7 | 18.3[m] | 34.2[n] | 22.6 | ... | ... | ... | 19.8[m] | 16.6[n] | 20.8[m] | 17.3 | ... | 13.7 | 10.8 | 16.3 | 10.4 |
| 1945-49 | 19.2[m] | 37.1[m] | 16.0 | 15.1[m] | ... | 18.7 | 9.9 | 13.3[m] | ... | 16.7[m] | 13.0[m] | 12.5[m] | 12.8 | ... | 9.3 | 9.9 | 16.8 | 9.8 |
| 1950 | 18.1 | 46.8 | 12.4 | 11.5 | ... | 16.1 | 9.5 | 12.5 | 10.8 | 15.9 | 11.2 | 12.0 | 9.4 | ... | 8.4 | 9.6 | 10.9 | 9.5 |
| 1956 | 13.1 | 21.9 | 9.8 | 8.0 | 7.4 | 10.0 | 25.0[p] | 9.8 | 6.1 | 11.6 | 9.0 | 7.5 | (8.6) | 7.5 | 6.8 | 9.1 | 8.1 | 9.0 |
| 1957 | 15.6 | 21.4 | 10.1 | 8.5 | 7.1 | 10.8 | | 9.1 | 6.2 | 12.4 | 9.6 | 7.4 | 9.0 | 7.1 | (6.6) | 8.8 | 8.3 | 9.4 |
| 1958 | 12.0 | 19.4 | 9.7 | 7.6 | 7.2 | 11.2 | | 7.6 | 5.7 | 11.0 | 8.5 | 7.0 | 8.4 | 7.0 | (5.4) | 8.5 | 7.5 | 8.9 |
| 1959 | 11.7 | 18.9 | 9.1 | 7.2 | 6.8 | 9.2 | | 7.3 | 5.7 | 9.7 | 7.4 | 6.5 | 8.0 | 6.6 | 4.1 | 8.9 | 7.5 | 9.1 |
| 1960 | 10.9 | 19.9 | 8.6 | 6.9 | 6.2 | 9.2 | 24.5[s] | 8.4 | 5.8 | 9.5 | 7.8 | 6.3 | 8.4 | 6.9 | (3.7) | 8.6 | 7.6 | 8.8 |
| 1961 | 6.9 | 18.4 | 8.0 | 6.7 | 5.9 | 9.3 | | 6.7 | 5.2 | 9.2 | 7.5 | 6.0 | (7.7) | 5.7 | 3.4 | 8.5 | 7.4 | 9.0 |
| 1962 | 6.9 | 18.9 | 8.5 | 6.4 | 6.1 | 8.8 | 6.9 | 6.7 | 5.1 | 9.4 | 7.3 | 5.9 | 7.9 | 5.1 | 4.9 | 8.7 | 7.5 | 8.9 |
| 1963 | 7.0 | 18.3 | 8.7 | 6.1 | 5.6 | 8.6 | 5.7 | 5.6 | 5.5 | 9.0 | 7.1 | 5.9 | 8.1 | 4.9 | 4.0 | 8.7 | 7.0 | 8.8 |
| 1964 | 6.4 | 17.9 | 8.7 | 5.7 | 5.0 | 8.2 | 6.1 | 5.5 | 5.1 | 8.1 | 7.1 | 5.8 | (7.7) | 5.7 | (5.4) | 9.0 | 6.9 | 8.8 |
| 1965 | 6.6 | 18.2 | *8.1* | 5.5 | 4.8 | ... | 6.1 | 5.6 | 5.0 | 7.9 | 7.3 | 5.6 | 7.1 | 6.4 | (5.7) | 8.8 | (7.1) | 8.7 |
| 1966 | 6.3 | *(18.0)* | *8.1* | 5.4 | 5.0 | ... | 7.0 | 5.7 | 4.8 | 7.6 | 6.8 | 5.5 | ... | ... | 6.2 | 9.0 | 6.8 | 8.9 |
| 1967 | | | | | | | | | | | | | | | | | | |
| I | ... | ... | ... | 6.1 | 6.4 | ... | ... | ... | ... | ... | ... | 5.6 | ... | ... | (0.7) | 7.9 | 7.9 | 7.5 |
| II | ... | ... | ... | 5.3 | 4.8 | ... | ... | ... | ... | ... | ... | 5.4 | ... | ... | (1.1) | 8.6 | 6.2 | 8.6 |
| III | ... | ... | ... | (5.3) | (4.6) | ... | ... | ... | ... | ... | ... | 5.3 | ... | ... | (1.1) | ... | (6.0) | 9.4 |
| IV | ... | ... | ... | ... | 4.9 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |

*Source:* United Nations Statistical Office, except figures in brackets which are from national sources and may not be comparable with other figures. The symbol @ relates to data tabulated by year of registration rather than occurence.

a. Data are for a changing number of towns having a population of approximately 1 million for 1950-52, and 1962, 2 million for 1953-61, and 1963, and 3 million for 1964-65.

b. Excluding armed forces and beginning 1949 foreigners. Also excluding live-born infants dying before registration of birth.

c. Rates computed on population excluding armed forces.

d. Prior to 1947, rates for registration area of former British Provinces, comprising 75 per cent of population of former India in 1945, not including Burma but including Pakistan. Beginning 1947, rates are for a changing group of states and territories of Republic of India, which, in 1964, included a population of about 320 million. Birth registration completeness for individual states varied between 65 and over 90 per cent for the period 1951-1955. In better registration states, birth rates for 1957-1961 are 33.9, 33.1 34.6 32.6 and 33.4 respectively.

e. Births prior to 1952 and deaths prior to 1950 are for years ended 20 March. Births beginning 1956-1959 and deaths beginning 1950-1959 are for years ended 21 December.

f. Formerly listed as Malaya prior to 1941, territory of former British Malaya, i.e., including Singapore.

g. Rates computed on population excluding transients afloat and non-locally domiciled military and civilian services personnel and their dependants.

h. Data are for changing territory representing about 90 per cent of total population in 1963.

i. Prior to 1951, data are for years ended 31 March. Birth registration estimated to be about 75 per cent complete in 1956-1963. Prior to 1963, data are tabulated by year of registration rather than occurrence.

j. Excluding full blooded aborigines, estimated at 40,081 in June 1961.

k. Japanese nationals in Japan only, but rates are computed on population including foreigners except Allied military and civilian personnel and their dependants stationed in the area. Prior to May 1952, excluding Tokara Archipelago and prior to 1954, Amami islands.

m. Average of less than five years.

n. For 1940.

p. Estimated annual average for 1956-59 rate based on analysis of results of 1956 census of population and 1959 national sample survey in 40 towns and 300 villages. For 1957-1959 recorded birth rates are 38.3, 41.3 and 41.6 and recorded death rates are 6.3, 8.6 and 8.1 respectively.

q. Estimated rate based on current rates for neighbouring countries.

s. Estimate based on analysis of data from 1956 census. Recorded rate is 7.6 for 1961.

## POPULATION AND EMPLOYMENT

### 4. EMPLOYMENT

*End of period*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| CHINA (Taiwan) *(thousand)* | | | | | | | | | | | | | |
| All industries[a] | ... | ... | 3,797 | 3,846 | 3,845 | 3,848 | 3,940 | 3,891 | 4,003 | 4,117 | 4,386 | ... | ... |
| Primary | ... | ... | 1,956 | 1,922 | 1,831 | 1,693 | 1,788 | 1,724 | 1,661 | 1,764 | 2,014 | ... | ... |
| Secondary | ... | ... | 754 | 813 | 883 | 912 | 872 | 939 | 1,036 | 1,039 | 1,087 | ... | ... |
| Tertiary | ... | ... | 1,087 | 1,110 | 1,130 | 1,243 | 1,279 | 1,229 | 1,307 | 1,314 | 1,285 | ... | ... |
| HONG KONG *(thousand)* | | | | | | | | | | | | | |
| Mining and quarrying | 2.3 | 2.3 | 2.3 | 2.2 | 2.4 | 2.2 | ... | ... | ... | ... | ... | ... | ... |
| Manufacturing | 248.9 | 272.8 | 326.2 | 322.3 | 341.1 | 391.5 | ... | ... | ... | ... | ... | ... | ... |
| INDIA *(thousand)* | | | | | | | | | | | | | |
| Factories under Factory Act[b] | 3,918 | 4,111 | 4,374 | *4,616* | *4,730* | ... | ... | ... | ... | ... | ... | ... | ... |
| Cotton mills[b] | 794 | 799 | 804 | 832 | 821 | 788 | 803 | 789 | *793* | 789 | 796 | 791 | 782 |
| Coal mines[c] | 399 | 417 | 433 | 414 | 407 | 408 | 399 | 413 | 421 | 398 | 383 | 371 | ... |
| Public sector | 7,320 | 7,809 | 8,312 | 8,789 | 9,263 | 9,542 | 9,458 | 9,542 | 9,634 | 9,627 | ... | ... | ... |
| Central government (incl. railways) | 2,163 | 2,260 | 2,407 | 2,527 | 2,613 | 2,676 | 2,673 | 2,676 | 2,688 | 2,683 | ... | ... | ... |
| Others[d] | 5,157 | 5,550 | 5,905 | 6,262 | 6,650 | 6,866 | 6,785 | 6,866 | 6,946 | 6,944 | ... | ... | ... |
| MALAYSIA: West[e] *(thousand)* | | | | | | | | | | | | | |
| Estate[f] | 315 | 317 | 317 | 308 | 300 | ... | ... | ... | ... | ... | ... | ... | ... |
| Rubber | 286 | 286 | 286 | 276 | 270 | ... | ... | ... | ... | ... | ... | ... | ... |
| Tin mining | 31 | 34 | 33 | 35 | 43 | ... | ... | ... | ... | ... | ... | ... | ... |
| Government | 197 | 208 | 234 | 229 | 244 | ... | ... | ... | ... | ... | ... | ... | ... |
| PHILIPPINES | | | | | | | | | | | | | |
| Index of employment[g] *(1958=100)* | | | | | | | | | | | | | |
| Mining | 92 | 87 | 88 | 88 | 95 | 96 | 97 | 97 | 97 | 97 | ... | ... | ... |
| Manufacturing | 110 | 112 | 114 | 116 | 119 | 118 | 115 | 119 | 122 | 118 | ... | ... | ... |
| SINGAPORE[h] *(thousand)* | | | | | | | | | | | | | |
| All industries | 123 | 123 | 129 | 132 | 136 | 144 | 144 | ... | 148 | ... | 152 | ... | ... |
| Agriculture, Forestry and fishing | 1 | 1 | 1 | 1 | 1 | 2 | 2 | ... | 3 | ... | 3 | ... | ... |
| Manufacturing | 49 | 48 | 52 | 53 | 55 | 58 | 58 | ... | 63 | ... | 65 | ... | ... |
| Construction | 12 | 14 | 15 | 17 | 18 | 17 | 17 | ... | 12 | ... | 15 | ... | ... |
| Electricity, gas, water and sanitary services | 10 | 8 | 8 | 8 | 8 | 9 | 9 | ... | 10 | ... | 10 | ... | ... |
| Commerce | 11 | 11 | 11 | 11 | 11 | 13 | 13 | ... | 11 | ... | 12 | ... | ... |
| Transport, storage and communication | 22 | 22 | 23 | 23 | 24 | 24 | 24 | ... | 26 | ... | 24 | ... | ... |
| Services | 17 | 17 | 17 | 17 | 17 | 20 | 20 | ... | 24 | ... | 23 | ... | ... |
| THAILAND[b] *(thousand)* | | | | | | | | | | | | | |
| Mining | 16.6 | 19.2 | 20.3 | 23.0 | 29.2 | 36.4 | 37.3 | 39.4 | 43.7 | 45.8 | 46.2 | 46.7 | 46.5 |
| AUSTRALIA[i] *(thousand)* | | | | | | | | | | | | | |
| All Industries | 3,133 | 3,214 | 3,315 | 3,461 | 3,604 | 3,703 | 3,704 | 3,733 | 3,759 | 3,775 | 3,784 | 3,809 | 3,838 |
| Manufacturing[j] | 1,055 | 1,106 | 1,139 | 1,199 | 1,246 | 1,252 | 1,252 | 1,258 | 1,270 | 1,273 | 1,274 | 1,282 | 1,289 |
| Building and construction | 280 | 281 | 287 | 296 | 306 | 317 | 314 | 309 | 306 | 307 | 307 | 308 | 311 |
| Transport and storage | 207 | 202 | 204 | 211 | 217 | 223 | 223 | 224 | 224 | 224 | 224 | 226 | 227 |
| Commerce and finance | 687 | 697 | 723 | 755 | 786 | 808 | 805 | 822 | 823 | 825 | 824 | 830 | 843 |
| Public authority and community services[k] | 504 | 527 | 551 | 579 | 608 | 641 | 646 | 649 | 660 | 669 | 674 | 676 | 679 |
| JAPAN[m] *(million)* | | | | | | | | | | | | | |
| All industries | 45.2 | 45.7 | 46.1 | 46.8 | 47.5 | 48.4 | 49.4 | 48.6 | 47.0 | 50.7 | 50.4 | 50.6 | 50.0 |
| Agriculture, forestry and hunting | 13.5 | 13.1 | 12.4 | 12.0 | 11.5 | 11.1 | 12.1 | 10.9 | 8.7 | 12.3 | 11.8 | 11.2 | 9.8 |
| Mining | 0.5 | 0.5 | 0.4 | 0.4 | 0.4 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| Manufacturing | 10.2 | 10.7 | 11.1 | 11.1 | 11.6 | 11.9 | 11.7 | 11.8 | 12.3 | 12.5 | 12.7 | 12.9 | 13.0 |
| Construction | 2.6 | 2.7 | 2.7 | 2.9 | 3.1 | 3.3 | 3.4 | 3.5 | 3.4 | 3.3 | 3.4 | 3.5 | 3.8 |
| Commerce | 8.4 | 8.5 | 9.0 | 9.3 | 9.6 | 10.0 | 10.1 | 10.1 | 10.1 | 10.3 | 10.3 | 10.7 | 10.7 |
| Transportation, communication and other public utilities | 2.5 | 2.7 | 2.8 | 2.9 | 3.0 | 3.2 | 3.2 | 3.2 | 3.3 | 3.3 | 3.3 | 3.3 | 3.3 |
| Services (non-government) | 5.3 | 5.6 | 5.7 | 5.9 | 6.3 | 6.6 | 6.5 | 6.8 | 6.7 | 6.6 | 6.6 | 6.7 | 7.0 |
| NEW ZEALAND[n] *(thousand)* | | | | | | | | | | | | | |
| All industries | 592 | 609 | 624 | 646 | 672 | 699 | 712 | 722 | 732 | 728 | 714 | 710 | ... |
| Primary[p] | 11 | 11 | 11 | 11 | 11 | *11* | 11 | 11 | 11 | 11 | 12 | 12 | ... |
| Manufacturing | 203 | 211 | 215 | 226 | 236 | 246 | 249 | 256 | 260 | 257 | 246 | 242 | ... |
| Building and construction | 56 | 56 | 56 | 57 | 60 | 64 | 65 | 64 | 64 | 64 | 62 | 62 | ... |
| Transport and communication | 65 | 66 | 69 | 69 | 71 | 72 | 73 | 74 | 75 | 74 | 73 | 73 | ... |
| Commerce[q] | 116 | 119 | 122 | 126 | 131 | 135 | 137 | 139 | 141 | 140 | 138 | 138 | ... |

[a] (i) Employed persons from Labour Force Survey; (ii) Mining included under secondary industry; (iii) Annual figures; October for 1963, average of Jan, Apr, Jul and Oct for 1964 and 1965; quarterly figures relate to first month of each quarter.

[b] Daily averages.

[c] Average daily employment in all coal mines governed by the India Mines Act. Monthly figures are slightly short of total coverage.

[d] Comprising state government, quasi-government and local bodies.

[e] Annual figures relate to July.

[f] Comprising rubber, oil palm, coconut, tea and pineapple estates.

[g] Comprising all full and part-time employees who were on the payroll i.e., who worked during, or received pay for, the pay period ending nearest the 15th of the month. Excluding proprietors, self-employed persons, domestic servants and unpaid workers.

[h] Workmen and industrial clerks. Annual figures relate to September.

[i] Wage and salary earners in civilian employment (excluding wage earners in rural industry, female private domestics and Defence Forces). Annual figures relate to June.

[j] Includes employees engaged in selling and distribution, etc., as well as those occupied directly in manufacturing activity.

[k] Includes Law and Order, Religion and Social Welfare, Health Services, Education and other community and Business Services.

[m] Average for the week ending on the last day of the month, except for December when the work prior to holiday seasons was chosen.

[n] Annual figures relating to end of April; monthly figures relating to the 15th of each month.

[p] Excludes farming, fishing and hunting.

[q] Including wool stores.

## 5. NATIONAL INCOME AND GROSS NATIONAL PRODUCT

**A. National income. B. Gross national product at market prices** *Billions*

| Year | Brunei (*Malaysian dollar*) | | Burma (*kyat*) | | Cambodia[a] (*riel*) | Ceylon (*rupee*) | | China mainland[b] (*yuan*) | China Taiwan[r] (*NT dollar*) | | India (*rupee*) | | Indonesia[c] (*rupiah*) | Iran (*rial*) | | Korea, Republic of[r] (*won*) | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | A | B | A | B | B | A | B | A | A | B | A | B | A | A | B | A | B |
| 1951 . . . | ... | ... | 3.92 | 4.45 | ... | 4.44 | 4.75 | 50 | 10.5 | 12.3 | 100 | ... | ... | ... | ... | ... | ... |
| 1952 . . . | ... | ... | 4.33 | 4.95 | 13.3 | 4.30 | 4.49 | 61 | 14.7 | 17.2 | 98 | ... | ... | ... | ... | ... | ... |
| 1953 . . . | ... | ... | 4.65 | 5.29 | 13.5 | 4.38 | 4.68 | 70 | 19.5 | 23.0 | 105 | ... | ... | ... | ... | 44 | 48 |
| 1954 . . . | ... | ... | 4.78 | 5.52 | 15.0 | 4.55 | 4.95 | 74 | 20.8 | 25.2 | 96 | ... | ... | ... | ... | 60 | 67 |
| 1955 . . . | 0.22 | 0.24 | 4.91 | 5.66 | 14.7 | 5.17 | 5.55 | 79 | 24.7 | 30.1 | 100 | ... | ... | ... | ... | 106 | 116 |
| 1956 . . . | 0.24 | 0.26 | 5.12 | 5.88 | 16.7 | 4.75 | 5.33 | 89 | 28.1 | 34.5 | 113 | ... | ... | ... | .... | 140 | 152 |
| 1957 . . . | 0.25 | 0.27 | 5.35 | 6.28 | 17.8 | 4.95 | 5.55 | 93 | 32.4 | 40.3 | 114 | ... | ... | ... | ... | 180 | 198 |
| 1958 . . . | 0.23 | 0.25 | 5.40 | 6.31 | 18.7 | 5.27$^{r}$ | 5.89$^{r}$ | 125 | 35.9 | 44.8 | 126 | ... | 387.7 | ... | ... | 185 | 207 |
| 1959 . . . | 0.23 | 0.25 | 5.63 | 6.55 | 20.6 | 5.63$^{r}$ | 6.32$^{r}$ | 152 | 41.6 | 51.7 | 130 | ... | 389.1 | 256 | 289 | 193 | 221 |
| 1960 . . . | 0.19 | 0.20 | 5.92 | 7.06 | 21.9 | 5.92$^{r}$ | 6.64$^{r}$ | 169 | 50.8 | 62.6 | 135$^{r}$ | 151 | 391.8 | 281 | 318 | 216 | 247 |
| 1961 . . . | ... | ... | 6.10 | 7.22 | 22.0 | 5.94$^{r}$ | 6.65$^{r}$ | ... | 57.0 | 69.8 | 143$^{r}$ | 162 | 408.2 | 302 | 340 | 265 | 299 |
| 1962 . . . | ... | ... | 6.52 | 7.70 | 23.1 | 6.16$^{r}$ | 6.96$^{r}$ | ... | 61.2 | 76.5 | 152$^{r}$ | 174 | 405.8 | 311 | 349 | 303 | 349 |
| 1963 . . . | ... | ... | 6.92 | 8.11 | 25.5 | 6.43$^{r}$ | 7.19$^{r}$ | ... | 70.5 | 87.3 | 176$^{r}$ | 201 | 403.6 | 333 | 376 | 432 | 488 |
| 1964 . . . | ... | ... | 6.49 | 7.73 | ... | 6.80$^{r}$ | 7.54$^{r}$ | ... | 84.7 | 102.5 | 204$^{r}$ | 233 | 422.9 | 362 | 407 | 627 | 697 |
| 1965 . . . | ... | ... | ... | ... | ... | 6.94 | 7.76 | ... | 91.9 | 113.1 | 211 | 243 | 435.6 | 396 | 446 | 713 | 806 |
| 1966 . . . | ... | ... | | | | | | | 101.9 | 125.5 | 242 | ... | 449.0 | ... | ... | 902 | 1,032 |

| Year | Malaysia[d] (*Malaysian dollar*) | | Pakistan[e] (*rupee*) | | Philippines (*peso*) | | Singapore[f] (*Singapore dollar*) | Thailand (*baht*) | | Viet-Nam, Republic of (*piastre*) | | Australia (*A.$*) | | Japan (*yen*) | | New Zealand (*N.Z.$*) | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | A | B | A | B | A | B | B | A | B | A | B | A | B | A | B | A | B |
| 1951 . . . | ... | ... | 21.1 | 22.5 | 6.5 | 7.4 | ... | 25.3 | 28.2 | ... | ... | 6.40 | 7.56 | 4,311 | 5,437 | 1.25 | 1.45 |
| 1952 . . . | ... | ... | 20.4 | 21.8 | 6.6 | 7.5 | ... | 26.3 | 29.5 | ... | ... | 7.04 | 8.22 | 5,222 | 6,237 | 1.32 | 1.52 |
| 1953 . . . | ... | ... | 20.4 | 21.8 | 7.0 | 8.0 | ... | 28.6 | 32.2 | ... | ... | 7.46 | 8.86 | 5,852 | 7,344 | 1.47 | 1.68 |
| 1954 . . . | ... | ... | 19.7 | 21.1 | 7.1 | 8.2 | ... | 28.2 | 32.0 | ... | ... | 8.01 | 9.59 | 6,488 | 7,835 | 1.60 | 1.86 |
| 1955 . . . | 3.81 | 4.76 | 21.1 | 22.7 | 7.6 | 8.7 | ... | 34.8 | 39.3 | ... | ... | 8.64 | 10.38 | 7,182 | 8,785 | 1.69 | 1.97 |
| 1956 . . . | 3.94 | 4.84 | 24.8 | 26.6 | 8.3 | 9.4 | 1.94 | 36.5 | 40.9 | ... | ... | 9.32 | 11.27 | 7,989 | 9,892 | 1.77 | 2.06 |
| 1957 . . . | 4.08 | 4.95 | 26.5 | 28.4 | 8.8 | 10.0 | 2.06 | 40.1 | 45.2 | ... | ... | 9.19 | 11.41 | 9,135 | 11,206 | 1.87 | 2.18 |
| 1958 . . . | 3.94 | 4.76 | 26.1 | 28.0 | 9.4 | 10.7 | 2.12 | 41.6 | 47.0 | ... | ... | 9.70 | 12.24 | 9,424 | 11,518 | 1.92 | 2.27 |
| 1959 . . . | 4.31 | 5.32 | 29.3 | 31.4 | 10.0 | 11.4 | 2.04 | 44.4 | 50.3 | ... | ... | 10.99 | 13.55 | 10,750 | 13,377 | 2.08 | 2.43 |
| 1960 . . . | 4.71 | 5.89 | 32.4 | 34.8 | 10.6 | 12.1 | 2.13 | 48.9 | 55.7 | 68.7 | 81.8 | 11.63 | 14.38 | 13,009 | 16,047$^{r}$ | 2.24 | 2.62 |
| 1961 . . . | 4.82 | 5.91 | 34.0 | 36.5 | 11.7 | 13.4 | 2.43 | 52.3$^{r}$ | 59.9 | 69.5 | 84.5 | 11.39 | 14.76 | 15,414 | 19,308$^{r}$ | 2.31 | 2.72 |
| 1962 . . . | 5.08 | 6.23 | 36.0 | 38.6 | 12.7$^{r}$ | 15.1$^{r}$ | 2.54 | 56.9 | 65.2 | 78.0 | 93.8 | 12.96$^{r}$ | 15.94$^{r}$ | 17,215 | 21,190 | 2.51 | 2.92 |
| 1963 . . . | 5.41$^{r}$ | 6.64 | 38.4$^{r}$ | 41.3$^{r}$ | 14.7$^{r}$ | 17.5$^{r}$ | 2.88 | 58.8 | 68.9 | 83.5 | 100.3 | 14.44$^{r}$ | 17.69$^{r}$ | 19,981 | 24,726 | 2.74 | 3.20 |
| 1964 . . . | 5.74$^{r}$ | 7.06 | 42.5$^{r}$ | 45.5$^{r}$ | 15.8$^{r}$ | 18.9$^{r}$ | 2.96 | 63.4$^{r}$ | 74.3$^{r}$ | 95.2 | 114.5 | 15.88$^{r}$ | 19.50$^{r}$ | 22,580 | 28,586$^{r}$ | 2.99 | 3.48 |
| 1965 . . . | 6.26 | 7.73$^{r}$ | 46.3 | 49.7 | 17.0$^{r}$ | 20.4$^{r}$ | 3.19 | 69.4$^{r}$ | 81.2$^{r}$ | 125.8 | 144.7 | 16.60$^{r}$ | 20.55$^{r}$ | 25,014$^{r}$ | 31,349$^{r}$ | 3.22 | 3.74 |
| 1966 . . . | 6.48 | 8.06 | 56.1 | 60.2 | 18.6 | 22.3 | ... | 78.8 | 92.2 | ... | ... | 18.11 | 22.39 | 29,211 | 36,661 | 3.39 | 3.94 |

*General notes:*

*Definition:* *National income* (net national product at factor cost) is the value at factor cost of the product, after deduction of provisions for the consumption of fixed capital attributable to the factors of production supplied by normal residents of the given country.

*Gross national product at market prices* is the market value of the product, before deduction of provisions for the consumption of fixed capital, attributable to the factors of production supplied by normal residents of the given country.

*Net domestic product at factor cost* is the value at factor cost of the product, after deduction of provisions for the consumption of fixed capital attributable to the factors of production suplied by resident producers of the given country.

*Gross domestic product at market prices* is the market value of the product, before deduction of provisions for the consumption of fixed capital, attributable to factor services rendered to resident producers of the given country.

*Time reference:* Brunei, Cambodia, Ceylon, China (mainland and Taiwan), Indonesia, Republic of Korea, Malaysia, Philippines, Singapore, Thailand and Republic of Viet-Nam: calendar years; Afghanistan and Iran: fiscal years beginning 21 March; India, Japan and New Zealand: fiscal years beginning 1 April; Australia, Nepal, and Pakistan: fiscal years beginning 1 July; Burma: fiscal years ending 30 September, of year stated.

[a] B: Gross domestic product at market prices of 1962.

[b] Total net value added at 1952 prices originating from agriculture, industry, construction, goods transport and communication and trade only.

[c] National income at 1960 prices.

[d] West Malaysia only.

[e] B: Gross national product at factor cost.

[f] Gross domestic product at market prices.

## 6. INDUSTRIAL ORIGIN OF NET DOMESTIC PRODUCT

| Country, currency, and year | Total | Agriculture, forestry, fishing | Mining | Manufacturing | Construction | Transportation, communication, utilities | Wholesale and retail trade | Ownership of dwellings | Public administration and defence | Other services |
|---|---|---|---|---|---|---|---|---|---|---|
| **BRUNEI**[a] *(million Malaysian dollars)* | | | | | | | | | | |
| 1958 | 364.5 | 7.0 | 305.0 | 3.2 | 4.8 | ... | 22.2 | ... | 20.4 | 1.9 |
| 1959 | 353.9 | 12.2 | 297.0 | 3.3 | 4.0 | 1.2 | 15.7 | ... | 18.3 | 2.2 |
| 1960 | 302.6 | 14.2 | 243.1 | 3.5 | 3.6 | 2.1 | 15.7 | ... | 18.0 | 2.4 |
| **BURMA**[a] *(million kyats)* | | | | | | | | b | | b |
| 1960 | 7,077 | 2,249 | 68 | 936 | 233 | 308 | 1,913 | ... | 637 | 733 |
| 1961 | 7,232 | 2,343 | 60 | 1,022 | 217 | 314 | 1,875 | ... | 654 | 747 |
| 1962 | 7,706 | 2,479 | 67 | 1,134 | 231 | 313 | 2,014 | ... | 686 | 782 |
| 1963 | 8,117 | 2,642 | 69 | 1,300 | 236 | 312 | 2,045 | ... | 733 | 780 |
| 1964 | 7,715 | 2,526 | 73 | 1,157 | 230 | 314 | 1,870 | ... | 780 | 765 |
| **CAMBODIA**[c] *(billion riels)* | | | | | | | | b | | b |
| 1959 | 21.0 | 9.0 | 0.1 | 1.8 | 1.0 | 1.0 | 4.5 | ... | 2.5 | 1.1 |
| 1960 | 22.3 | 10.1 | — | 1.9 | 0.9 | 1.1 | 4.3 | ... | 2.8 | 1.2 |
| 1961 | 22.5 | 10.0 | 0.1 | 1.9 | 0.9 | 1.0 | 4.5 | ... | 2.9 | 1.2 |
| 1962 | 23.7 | 9.8 | — | 2.0 | 1.4 | 1.1 | 5.1 | ... | 3.1 | 1.2 |
| 1963 | 25.5 | 10.5 | 0.1 | 2.2 | 1.5 | 1.2 | 5.4 | ... | 3.3 | 1.3 |
| **CEYLON**[d,r] *(million rupees)* | | | | | | | | | | |
| 1958 | 5,606 | 2,625 | 4 | 282 | 429 | 393 | 521 | 185 | 405 | 762 |
| 1959 | 5,973 | 2,754 | 8 | 305 | 462 | 447 | 581 | 189 | 417 | 810 |
| 1960 | 6,270 | 2,910 | 8 | 324 | 483 | 481 | 608 | 197 | 417 | 843 |
| 1961 | 6,297 | 2,924 | 8 | 336 | 475 | 478 | 577 | 205 | 440 | 855 |
| 1962 | 6,531 | 2,985 | 9 | 360 | 497 | 524 | 621 | 216 | 464 | 857 |
| 1963 | 6,812 | 3,058 | 9 | 410 | 527 | 553 | 676 | 228 | 465 | 887 |
| 1964 | 7,180 | 3,201 | 8 | 450 | 505 | 627 | 732 | 234 | 467 | 957 |
| 1965 | 7,305 | 3,166 | 7 | 469 | 513 | 671 | 754 | 241 | 482 | 1,002 |
| **CHINA** (mainland) *(million yuan)* [e] | | | | | | | | | | |
| 1952 | 61,130 | 36,189 | —— 11,003 —— | | 1,834 | 2,445 | 9,659 | ... | ... | ... |
| 1956 | 88,750 | 42,689 | 23,430 | | 4,970 | 3,905 | 13,756 | ... | ... | ... |
| **CHINA** (Taiwan) *(million New Taiwan dollars)* | | | | | | | | | | |
| 1958 | 35,947 | 11,127 | 1,054 | 5,546 | 1,544 | 1,907 | 5,516 | 2,610 | 4,230 | 2,413 |
| 1959 | 41,614 | 12,591 | 1,035 | 7,322 | 1,810 | 2,087 | 6,086 | 2,833 | 5,017 | 2,833 |
| 1960 | 50,833 | 16,528 | 1,177 | 8,488 | 2,247 | 2,724 | 7,332 | 3,114 | 6,072 | 3,151 |
| 1961 | 57,087 | 17,872 | 1,194 | 9,664 | 2,501 | 3,592 | 7,966 | 3,586 | 7,050 | 3,662 |
| 1962 | 61,344 | 17,891 | 1,561 | 10,516 | 2,539 | 3,836 | 8,847 | 4,176 | 7,645 | 4,333 |
| 1963 | 70,636 | 18,844 | 1,489 | 13,817 | 2,773 | 4,135 | 10,956 | 4,767 | 8,562 | 5,293 |
| 1964 | 84,843 | 23,510 | 1,559 | 17,090 | 3,154 | 4,945 | 13,394 | 5,209 | 9,787 | 6,195 |
| 1965 | 92,220 | 24,797 | 1,904 | 17,268 | 3,691 | 5,889 | 15,228 | 5,515 | 10,615 | 7,313 |
| 1966 | 102,188 | 26,340 | 2,229 | 19,547 | 4,236 | 7,045 | 16,422 | 6,045 | 12,186 | 8,138 |
| 1967 | 115,007 | 28,091 | 2,661 | 23,153 | 4,841 | 7,939 | 18,834 | 6,675 | 13,938 | 8,875 |
| **INDIA**[r] *(billion rupees)* | | | | | | | f | | | |
| 1961 | 144.1 | 72.9 | 1.5 | 20.4 | 6.6 | 7.3 | 13.9 | 4.0 | 6.0 | 11.5 |
| 1962 | 152.9 | 74.8 | 1.8 | 22.4 | 7.1 | 8.2 | 14.9 | 4.4 | 6.8 | 12.5 |
| 1963 | 176.8 | 87.9 | 2.0 | 26.1 | 8.0 | 9.1 | 17.0 | 5.1 | 8.0 | 13.6 |
| 1964 | 205.7 | 105.2 | 2.1 | 28.8 | 9.1 | 10.0 | 20.7 | 5.5 | 9.1 | 15.2 |
| 1965 | 212.3 | 102.0 | 2.4 | 30.8 | 9.9 | 11.1 | 22.3 | 5.9 | 10.6 | 17.3 |
| 1966 | 243.9 | 120.5 | 2.6 | 33.8 | 10.8 | 12.1 | 26.5 | 6.2 | 12.0 | 19.4 |
| **INDONESIA**[g,r] *(billion rupiah)* | | | | | | | | | | |
| 1958 | 390.8 | 196.0 | 9.7 | 51.3 | 6.8 | 12.3 | 57.9 | 7.2 | 25.6 | 24.0 |
| 1959 | 392.6 | 203.2 | 10.8 | 48.8 | 7.1 | 13.3 | 56.6 | 7.3 | 20.7 | 24.8 |
| 1960 | 394.8 | 205.2 | 12.0 | 48.1 | 7.1 | 14.1 | 59.4 | 7.4 | 16.1 | 25.4 |
| 1961 | 412.1 | 205.0 | 12.2 | 52.8 | 7.2 | 14.5 | 68.4 | 7.6 | 17.8 | 26.6 |
| 1962 | 410.3 | 217.0 | 12.9 | 51.5 | 7.5 | 15.0 | 63.1 | 7.9 | 8.9 | 26.6 |
| 1963 | 408.0 | 207.3 | 13.3 | 50.4 | 7.6 | 15.6 | 68.3 | 8.0 | 11.3 | 26.3 |
| 1964 | 427.1 | 217.5 | 13.9 | 50.7 | 7.7 | 15.4 | 73.4 | 8.3 | 12.6 | 27.6 |
| 1965 | 439.9 | 224.1 | 14.7 | 52.2 | 7.9 | 15.9 | 74.2 | 8.6 | 14.6 | 27.7 |
| 1966 | 453.3 | 232.0 | 15.4 | 52.9 | 8.2 | 16.3 | 76.8 | 8.8 | 14.7 | 28.2 |
| **IRAN**[d] *(billion rials)* | h | | | | | | | | | |
| 1960 | 314.2 | 101.2 | 0.5 | 80.2 | 12.8 | 23.8 | 29.1 | 19.1 | 23.2 | 19.5 |
| 1961 | 336.7 | 109.1 | 0.6 | 82.8 | 13.5 | 25.5 | 30.2 | 21.2 | 24.4 | 21.0 |
| 1962 | 348.9 | 114.4 | 0.6 | 93.2 | 12.0 | 27.6 | 31.1 | 22.0 | 26.7 | 22.3 |
| 1963 | 375.4 | 116.1 | 0.9 | 102.9 | 13.3 | 28.1 | 33.0 | 22.7 | 30.9 | 23.7 |
| 1964 | 404.0 | 123.8 | 1.5 | 113.5 | 15.8 | 30.0 | 36.0 | 23.9 | 37.9 | 26.4 |
| 1965 | 450.7 | 137.7 | 1.8 | 127.5 | 20.6 | 32.7 | 38.6 | 25.4 | 45.6 | 28.8 |
| **KOREA, REPUBLIC OF**[d,r] *(billion won)* | | | | | | | | | | |
| 1961 | 276.13 | 118.39 | 5.51 | 34.30 | 9.46 | 15.82 | 24.83 | 16.25 | 20.40 | 31.17 |
| 1962 | 318.98 | 126.69 | 6.97 | 40.40 | 11.46 | 19.65 | 33.18 | 17.92 | 26.54 | 36.17 |
| 1963 | 454.55 | 204.59 | 8.28 | 61.87 | 14.48 | 22.49 | 50.42 | 20.96 | 28.08 | 43.38 |
| 1964 | 658.68 | 319.01 | 12.31 | 97.56 | 19.95 | 27.62 | 71.65 | 24.58 | 33.64 | 52.36 |
| 1965 | 751.14 | 310.26 | 14.66 | 129.01 | 27.29 | 38.37 | 98.23 | 27.20 | 39.94 | 66.18 |
| 1966 | 946.37 | 370.60 | 16.47 | 161.52 | 37.49 | 58.12 | 128.70 | 32.38 | 53.84 | 87.25 |

## 6. INDUSTRIAL ORIGIN OF NET DOMESTIC PRODUCT *(Cont'd)*

| Country, currency, and year | Total | Agriculture, forestry, fishing | Mining | Manufacturing | Construction | Transportation, communication, utilities | Wholesale and retail trade | Ownership of dwellings | Public administration and defence | Other services |
|---|---|---|---|---|---|---|---|---|---|---|
| **MALAYSIA** *(million Malaysian dollars)* | | | | | | | | | | |
| EAST: Sarawak | | | | | | | | | | |
| 1955[a] | 375.4 | 231.3 | 38.7 | 1.2 | 9.5 | 14.0 | 32.6 | 5.0 | 15.4 | 27.7 |
| 1961 | 408.5 | 185.6 | 34.5 | 33.4 | 10.5 | 25.3 | 41.8 | 23.3 | 28.2 | 25.9 |
| WEST[d] | | | | | | | | | | |
| 1960 | 5,220[r] | 1,976 | 306 | 453 | 158 | 259 | 817 | 245 | 339 | 667 |
| 1961 | 5,294 | 1,848 | 381 | 428 | 191 | 268 | 859 | 255 | 336 | 728 |
| 1962 | 5,527 | 1,831 | 391 | 472 | 240 | 285 | 900 | 264 | 342 | 802 |
| 1963 | 5,902 | 1,858 | 419 | 533 | 274 | 304 | 979 | 277 | 373 | 885 |
| 1964 | 6,300 | 1,862 | 502 | 613 | 289 | 332 | 1,032 | 290 | 428 | 952 |
| 1965 | 6,884 | 1,954 | 598 | 708 | 315 | 380 | 1,100 | 298 | 493 | 1,038 |
| **NEPAL**[a] *(million rupees)* | | | | | | | | | | |
| 1961 | 3,682 | 2,338 | 17 | 447 | 141 | 38 | 215 | 338 | 77 | 71 |
| 1964 | 5,285 | 3,443 | 20 | 574 | 172 | 92 | 240 | 423 | 82 | 239 |
| **PAKISTAN** *(million rupees)* | | | | | | | | | | |
| 1961 | 34,079 | 17,933 | 87 | 3,415 | 984 | 1,923 | 4,351 | 1,428 | 1,419 | 2,539 |
| 1962 | 36,098 | 18,764 | 99 | 3,826 | 1,108 | 2,093 | 4,586 | 1,488 | 1,482 | 2,652 |
| 1963[r] | 38,540 | 19,072 | 120 | 4,222 | 1,730 | 2,288 | 5,007 | 1,548 | 1,727 | 2,826 |
| 1964[r] | 42,449 | 20,824 | 144 | 4,655 | 2,005 | 2,574 | 5,541 | 1,683 | 1,925 | 3,098 |
| 1965 | 46,294 | 22,166 | 149 | 5,149 | 2,029 | 2,932 | 6,037 | 1,754 | 2,702 | 3,376 |
| 1966 | 56,130 | 28,288 | 153 | 5,653 | 2,332 | 3,553 | 7,031 | 1,999 | 3,220 | 3,901 |
| **PHILIPPINES**[r] *(million pesos)* | | | | | | | | b | | b |
| 1962 | 12,798 | 4,120 | 175 | 2,435 | 448 | 590 | 1,432 | ... | 1,019 | 2,579 |
| 1963 | 14,754 | 4,938 | 182 | 2,900 | 584 | 635 | 1,492 | ... | 1,221 | 2,802 |
| 1964 | 15,901 | 5,195 | 168 | 3,186 | 661 | 673 | 1,615 | ... | 1,368 | 3,015 |
| 1965 | 17,170 | 5,659 | 235 | 3,307 | 746 | 721 | 1,738 | ... | 1,490 | 3,274 |
| 1966 | 18,733 | 6,187 | 316 | 3,616 | 714 | 803 | 1,906 | ... | 1,626 | 3,565 |
| **THAILAND**[a] *(million baht)* | | | | | | | | | | |
| 1960 | 55,816 | 21,689 | 765 | 5,882 | 2,010 | 4,176 | 9,660 | 2,557 | 2,707 | 6,370 |
| 1961 | 59,969 | 23,166 | 902 | 6,642 | 2,138 | 4,338 | 10,308 | 2,696 | 2,950 | 6,829 |
| 1962 | 65,307 | 24,307 | 979 | 7,437 | 2,720 | 4,817 | 11,574 | 2,857 | 3,032 | 7,585 |
| 1963 | 68,962 | 25,110 | 1,062 | 7,874 | 3,378 | 4,988 | 12,034 | 3,019 | 3,303 | 8,193 |
| 1964[r] | 74,351 | 25,151 | 1,387 | 8,704 | 3,749 | 5,820 | 13,896 | 3,240 | 3,504 | 8,900 |
| 1965[r] | 81,221 | 26,543 | 1,838 | 10,067 | 4,110 | 6,499 | 15,132 | 3,495 | 3,741 | 9,796 |
| 1966 | 92,121 | 30,753 | 2,201 | 11,782 | 4,429 | 7,212 | 16,861 | 3,766 | 3,975 | 11,142 |
| **VIET-NAM, REPUBLIC OF** *(million piastres)* | h | | | | | | | | | |
| 1960 | 69,518 | 24,026 | 272 | 7,539 | 1,192 | 3,387 | 7,255 | 4,798 | 11,581 | 5,093 |
| 1961 | 70,261 | 23,675 | 363 | 8,233 | 1,101 | 3,825 | 7,572 | 4,711 | 12,624 | 5,405 |
| 1962 | 78,561 | 26,217 | 364 | 8,635 | 1,143 | 3,973 | 9,294 | 5,155 | 16,246 | 5,985 |
| 1963 | 83,960 | 27,081 | 305 | 9,609 | 1,276 | 4,244 | 9,941 | 5,380 | 17,627 | 6,598 |
| 1964 | 95,725 | 31,185 | 246 | 10,304 | 1,421 | 4,929 | 11,715 | 6,242 | 21,356 | 7,537 |
| 1965 | 123,212 | 36,056 | 293 | 12,837 | 1,847 | 6,338 | 13,926 | 6,802 | 30,142 | 9,026 |
| **AUSTRALIA**[d] *(million Australian dollars)* | h | | | | | | | | | |
| 1961 | 13,397 | 1,641 | 231 | 3,759 | 1,042 | 1,512 | 2,007 | 677 | 543 | 1,987 |
| 1962 | 14,515 | 1,869 | 224 | 4,104 | 1,126 | 1,647 | 2,117 | 766 | 551 | 2,108 |
| 1963 | 16,167 | 2,234 | 266 | 4,470 | 1,258 | 1,851 | 2,275 | 857 | 605 | 2,329 |
| 1964 | 17,641 | 2,156 | 312 | 5,023 | 1,434 | 2,030 | 2,497 | 931 | 661 | 2,597 |
| 1965 | 18,367 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **JAPAN** *(billion yen)* | | | | | | | | b | | b |
| 1961 | 15,452 | 2,151 | 222 | 4,629 | 934 | 1,528 | 2,538 | ... | 649 | 2,800 |
| 1962 | 17,269 | 2,296 | 221 | 5,064 | 1,094 | 1,658 | 2,800 | ... | 759 | 3,377 |
| 1963 | 20,052 | 2,444 | 219 | 5,817 | 1,315 | 1,939 | 3,374 | ... | 894 | 4,049 |
| 1964 | 22,682 | 2,644 | 228 | 6,530 | 1,577 | 2,110 | 3,832 | ... | 1,045 | 4,716 |
| 1965[r] | 25,111 | 2,925 | 243 | 6,933 | 1,771 | 2,201 | 4,299 | ... | 1,164 | 5,575 |
| 1966 | 29,312 | 3,344 | 262 | 8,104 | 2,105 | 2,675 | 5,030 | ... | 1,295 | 6,497 |
| **NEW ZEALAND**[d] *(million New Zealand dollars)* | | | | | | | | | | |
| 1954 | 1,743 | 396 | 18 | 208 | 128 | 204 | 296 | 68 | 44 | 381 |
| 1959 | 2,266 | 466 | 22 | 512 | 196 | 276 | 364 | 142 | 174 | 114 |

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a. Gross domestic product at market prices.

b. Ownership of dwellings included under "Other services".

c. Gross domestic product at 1962 market prices for data of 1959-1962; and current prices for 1963 estimates.

d. Gross domestic product at factor cost.

e. Total net value added at 1952 prices originating in agriculture, industry construction, goods transport and communication, and trade only.

f. Including storage, hotels and restaurants.

g. Net domestic product at 1960 prices.

h. Including statistical discrepancy.

## NATIONAL ACCOUNTS

### 7. EXPENDITURE ON GROSS DOMESTIC PRODUCT

| | Consumption expenditure | | Gross fixed capital formation | Increase in stocks | Exports less imports of goods and services | Gross domestic product at market prices | Less indirect tax net of subsidies | Less depreciation | Less net factor income payments abroad | Net national product at factor cost (national income) |
|---|---|---|---|---|---|---|---|---|---|---|
| | Private | General government | | | | | | | | |
| **AFGHANISTAN** *(million afghanis)* | | | | | [a] | [b] | | | | |
| 1958 | 37,493 | 922 | 1,970 | ... | −868 | 39,527 | −941 | ... | ... | ... |
| **BURMA** *(million kyats)* | | | | | | | | | | |
| 1965 | 7,370 | | 740 | 540 | −330 | 8,320 | ... | ... | ... | ... |
| 1966 | 7,600 | | 830 | −490 | 100 | 8,040 | ... | ... | ... | ... |
| 1967 | 7,240 | | 880 | −50 | — | 8,070 | ... | ... | ... | ... |
| **CAMBODIA** *(billion riels)* | | | | | | | | | | |
| 1962 | 16.3 | 4.7 | 3.9 | 0.3 | −2.1 | 23.1 | −2.6 | −1.2 | −0.2 | 19.1 |
| 1963 | 16.9 | 5.0 | 4.3 | 0.2 | −0.9 | 25.5 | −2.7 | −1.2 | −0.2 | 21.4 |
| **CEYLON**[r] *(million rupees)* | | | | | | | | | | |
| 1958 | 4,322 | 868 | 943 | −108 | −89 | 5,935 | 441 | 295 | −41 | 5,271 |
| 1959 | 4,677 | 905 | 995 | −55 | −160 | 6,362 | 536 | 302 | −37 | 5,634 |
| 1960 | 4,981 | 959 | 979 | −37 | −198 | 6,684 | 606 | 310 | −44 | 5,917 |
| 1961 | 4,860 | 974 | 959 | −42 | −65 | 6,686 | 637 | 316 | −40 | 5,942 |
| 1962 | 5,103 | 995 | 1,022 | −10 | −104 | 7,005 | 709 | 324 | −46 | 6,161 |
| 1963 | 5,250 | 1,025 | 1,099 | −0 | −128 | 7,246 | 660 | 332 | −52 | 6,428 |
| 1964 | 5,637 | 1,099 | 1,087 | −81 | −165 | 7,577 | 775 | 341 | −36 | 6,804 |
| 1965 | 5,642 | 1,161 | 1,019 | −68 | −26 | 7,780 | 779 | 348 | −15 | 6,942 |
| **CHINA** (Taiwan) *(million new Taiwan dollars)* | | | | | | | | | | |
| 1964 | 65,660 | 17,089 | 14,451 | 4,797 | 390 | 102,649 | −11,227 | −6,579 | −157 | 84,686 |
| 1965 | 71,452 | 19,252 | 18,528 | 6,979 | −3,687 | 113,441 | −14,259 | −6,962 | −329 | 91,891 |
| 1966 | 76,878 | 21,552 | 23,322 | 5,557 | −970 | 125,825 | −15,797 | −7,840 | −329 | 101,859 |
| **INDIA**[r] *(billion rupees)* | | | | | | | | | | |
| 1960 | ... | 11.00 | ... | ... | −4.10 | 152.09 | 9.48 | 7.36 | −0.72 | 134.53 |
| 1961 | ... | 12.23 | ... | ... | −2.85 | 163.03 | 10.80 | 8.10 | −0.98 | 143.15 |
| 1962 | ... | 14.80 | ... | ... | −3.53 | 174.82 | 12.65 | 9.30 | −1.08 | 151.79 |
| 1963 | ... | 19.16 | ... | ... | −3.50 | 202.36 | 15.66 | 9.91 | −1.16 | 175.63 |
| 1964 | ... | 20.55 | ... | ... | −4.76 | 234.56 | 17.84 | 11.00 | −1.48 | 204.24 |
| 1965 | ... | 23.76 | ... | ... | −4.79 | 244.37 | 20.10 | 11.99 | −1.64 | 210.64 |
| 1966 | ... | ... | ... | ... | ... | ... | ... | ... | −2.32 | 241.57 |
| **IRAN** *(billion rials)* | | | | | | | | | | |
| 1964 | 298.1 | 48.9 | 64.1 | ... | 17.2 | 428.3 | −24.3 | −20.3 | −21.3 | 362.4 |
| 1965 | 318.0 | 60.4 | 82.5 | ... | 18.1 | 479.0 | −28.3 | −22.3 | −32.9 | 395.5 |
| **KOREA, REPUBLIC OF**[r] *(billion won)* | | | | | | [c] | | | | |
| 1962 | 293.79 | 49.62 | 48.62 | −3.15 | −40.90 | 345.40 | −26.42 | −18.89 | 3.13 | 303.27 |
| 1963 | 399.55 | 54.74 | 68.04 | 21.64 | −55.72 | 484.63 | −30.08 | −26.31 | 3.33 | 431.57 |
| 1964 | 585.96 | 61.95 | 80.54 | 20.70 | −54.47 | 691.54 | −32.86 | −36.93 | 5.25 | 627.00 |
| 1965 | 669.08 | 76.02 | 117.64 | 0.84 | −60.32 | 798.20 | −47.06 | −45.73 | 7.65 | 713.06 |
| 1966 | 805.90 | 104.82 | 205.99 | 17.12 | −101.01 | 1,018.66 | −72.29 | −57.89 | 13.38 | 901.86 |
| **MALAYSIA** *(million Malaysian dollars)* | | | | | | | | | | |
| EAST: | | | | | | | | | | |
| SABAH | | | | | | | | | | |
| 1961 | 200 | 47 | 60 | | 3 | 310 | ... | ... | ... | ... |
| 1962 | 214 | 56 | 73 | | −6 | 337 | ... | ... | ... | ... |
| 1963 | 229 | 75 | 92 | | −31 | 365 | ... | ... | ... | ... |
| 1964 | 244 | 79 | 112 | | −25 | 410 | ... | ... | ... | ... |
| 1965 | 259 | 97 | 129 | | −11 | 474 | ... | ... | ... | ... |
| SARAWAK | | | | | | | | | | |
| 1961 | 310 | 65 | 88 | | −34 | 429 | ... | ... | ... | ... |
| 1962 | 321 | 78 | 93 | | −8 | 484 | ... | ... | ... | ... |
| 1963 | 343 | 93 | 102 | | −24 | 514 | ... | ... | ... | ... |
| 1964 | 360 | 109 | 112 | | −28 | 553 | ... | ... | ... | ... |
| 1965 | 385 | 120 | 125 | | −28 | 602 | ... | ... | ... | ... |
| WEST[r] | | | | | | | | | | |
| 1962 | 4,047 | 927 | 1,130 | 78 | 185 | 6,367 | −840 | −307 | −140 | 5,080 |
| 1963 | 4,289 | 1,063 | 1,194 | 64 | 172 | 6,782 | −880 | −332 | −159 | 5,411 |
| 1964 | 4,509 | 1,223 | 1,226 | 68 | 195 | 7,221 | −921 | −358 | −214 | 5,728 |
| 1965 | 4,742 | 1,357 | 1,311 | 72 | 439 | 7,921 | −1,037 | −385 | −264 | 6,235 |
| 1966 | 4,902 | 1,484 | 1,435 | | 463 | 8,335 | ... | ... | −277 | 6,481 |
| **NEPAL** *(million rupees)* | | | | | | | | | | |
| 1961 | 3,465 | 103 | 293 | | −179 | 3,682 | ... | ... | ... | ... |
| 1964 | 4,765 | 123 | 525 | | −128 | 5,285 | ... | ... | ... | ... |
| **PAKISTAN** *(million rupees)* | | | | | | | | | | |
| 1964 | 37,411 | 4,931 | 8,150 | 250 | −2,771 | 47,971 | −2,176 | −3,076[r] | +10[r] | 42,459[r] |
| 1965 | ... | ... | ... | ... | ... | ... | ... | −3,381 | +10 | 46,304 |
| 1966 | ... | ... | ... | ... | ... | ... | ... | −4,043 | +10 | 56,140 |
| **PHILIPPINES**[r] *(million pesos)* | | | | | | | | | | |
| 1962 | 12,181 | 1,380 | 2,710 | 174 | −1,133 | 15,312 | −1,282 | −1,094 | −80 | 12,718 |
| 1963 | 12,973 | 1,637 | 3,283 | 218 | −93 | 18,018 | −1,426 | −1,360 | −68 | 14,686 |
| 1964 | 13,810 | 1,829 | 3,985 | 318 | −578 | 19,364 | −1,501 | −1,565 | −92 | 15,809 |
| 1965 | 14,694 | 1,986 | 4,141 | 333 | −211 | 20,943 | −1,594 | −1,804 | −123 | 17,047 |
| 1966 | 15,632 | 2,163 | 4,254 | 308 | +597 | 22,954 | −1,729 | −2,044 | −168 | 18,565 |
| **SINGAPORE** *(million Singapore dollars)* | | | | | | | | | | |
| 1964 | 2,251.9 | 289.8 | 414.7 | ... | ... | 2,956.4 | −145.4 | ... | ... | ... |
| 1965 | 2,408.1 | 314.5 | 463.8 | ... | ... | 3,186.4 | −169.4 | ... | ... | ... |

## 7. EXPENDITURE ON GROSS DOMESTIC PRODUCT *(Cont'd)*

| | Consumption expenditure | | Gross fixed capital formation | Increase in stocks | Exports less imports of goods and services | Gross domestic product at market prices | Less indirect tax net of subsidies | Less depreciation | Less net factor income payments abroad | Net national product at factor cost (national income) |
|---|---|---|---|---|---|---|---|---|---|---|
| | Private | General government | | | | | | | | |
| **THAILAND** *(million baht)* | | | | | | | | | | |
| 1963 | 50,101 | 6,022 | 14,962 | 286 | —2,242 | [c] 68,962 | —6,365 | —3,738 | — 40 | 58,819 |
| 1964$^{r}$ | 52,595 | 6,846 | 16,942 | 377 | — 681 | 74,351 | —6,673 | —4,231 | — 79 | 63,368 |
| 1965$^{r}$ | 55,979 | 7,557 | 18,526 | 813 | —1,000 | 81,221 | —7,136 | —4,625 | — 11 | 69,449 |
| 1966 | 61,630 | 8,441 | 20,331 | 680 | 239 | 92,121 | —8,404 | —5,073 | 110 | 78,753 |
| **VIET-NAM, REPUBLIC OF** *(billion piastres)* | | | | | | | | | | |
| 1963 | 84.8 | 21.0 | 8.1 | — 0.5 | —12.6 | 100.8 | — 12.1 | — 4.7 | — 0.4 | 83.5 |
| 1964 | 92.4 | 25.0 | 9.2 | 3.6 | —15.2 | 115.0$^{r}$ | — 14.5 | — 4.7 | — 0.5 | 95.2$^{r}$ |
| 1965 | 107.3 | 32.5 | 12.3 | 5.1 | —15.0 | 142.2 | — 13.9 | — 5.1 | + 2.6 | 125.8 |
| **AUSTRALIA** *(million Australian dollars)* | | | | | | | | | | |
| 1962 | 10,479 | 1,627 | 3,947 | 319 | —126 | [c] 16,218 | —1,719 | —1,253 | —283 | 12,963 |
| 1963 | 11,283 | 1,778 | 4,450 | 147 | 297 | 17,989 | —1,831 | —1,418 | —302 | 14,438 |
| 1964 | 12,179 | 2,041 | 5,176 | 675 | —424 | 19,799 | —2,066 | —1,559 | —293 | 15,881 |
| 1965 | 12,877 | 2,378 | 5,651 | —199 | —482 | 20,862 | —2,238 | —1,710 | —311 | 16,603 |
| 1966 | 13,772 | 2,683 | 5,830 | —460 | —216 | 22,720 | —2,392 | —1,871 | —342 | 18,115 |
| **JAPAN** *(billion yen)* | | | | | | | | | | |
| 1963 | 13,615 | 2,320 | 8,101 | 1,055 | —294 | [c] 24,798 | —1,920 | —2,970 | — 72 | 19,981 |
| 1964 | 15,510 | 2,685 | 9,402 | 949 | 141 | 28,687 | —2,190 | —3,702 | —102 | 22,580 |
| 1965$^{r}$ | 17,539 | 3,086 | 9,889 | 423 | 510 | 31,447 | —2,271 | —4,122 | — 98 | 25,014 |
| 1966 | 19,790 | 3,510 | 11,564 | 1,382 | 516 | 36,761 | —2,505 | —4,754 | —100 | 29,212 |
| **NEW ZEALAND** *(million New Zealand dollars)* | | | | | | | | | | |
| 1962 | 1,883 | 395 | 645 | 33 | 18 | 2,974 | — 199 | — 220 | — 50 | 2,506 |
| 1963 | 2,003 | 416 | 717 | 84 | 27 | 3,247 | — 224 | — 232 | — 47 | 2,745 |
| 1964 | 2,154 | 459 | 809 | 94 | 31 | 3,547 | — 241 | — 249 | — 64 | 2,994 |
| 1965 | 2,344 | 513 | 897 | 142 | —101 | 3,795 | — 250 | — 268 | — 59 | 3,218 |
| 1966 | 2,442 | 560 | 928 | 145 | — 73 | 4,002 | — 262 | — 283 | — 65 | 3,392 |

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a. Including net investment income from abroad.
b. Gross national product at market prices.
c. Including statistical discrepancy.

## 8. COMPOSITION OF GROSS DOMESTIC CAPITAL FORMATION

| | Gross domestic capital formation | FIXED CAPITAL FORMATION | | | | | | | | | Increase in stocks |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | By type of capital goods | | | | | By type of purchaser | | | | |
| | | Dwellings | Non-residential buildings | Other construction and works | Transport equipment | Machinery and equipment | Private enterprises | Public corporations | Government enterprises | General government | |
| **BURMA** *(million kyats)* | | | | | | | | | | | |
| 1962 | 1,272 | 838 | | | 369 | | 692 | 196 | 319 | | 65 |
| 1963 | 1,649 | 820 | | | 518 | | 717 | 287 | 334 | | 311 |
| 1964 | *1,381* | . . . | | | . . . | | *516* | 698 | | | *167* |
| **CAMBODIA** *(billion riels)* | | | | | | | | | | | |
| 1962 | 4.2 | 1.4 | 0.6 | 0.8 | 0.4 | 0.7 | 3.9 | | | | 0.3 |
| 1963 | 4.5 | 1.4 | 0.9 | 1.0 | 0.4 | 0.6 | 4.3 | | | | 0.2 |
| **CEYLON$^{r}$** *(million rupees)* | | | | | | | | | | | |
| 1958 | 835 | [a] 349 | | 234 | 146 | 214 | 616 | | 327 | | —108 |
| 1959 | 940 | 400 | | 239 | 139 | 217 | 657 | | 338 | | — 55 |
| 1960 | 942 | 433 | | 247 | 109 | 190 | 629 | | 350 | | — 37 |
| 1961 | 917 | 414 | | 255 | 70 | 220 | 606 | | 352 | | — 42 |
| 1962 | 1,012 | 428 | | 260 | 86 | 247 | 661 | | 360 | | — 10 |
| 1963 | 1,099 | 428 | | 288 | 93 | 289 | 715 | | 384 | | — 0 |
| 1964 | 1,006 | 453 | | 260 | 83 | 291 | 747 | | 340 | | — 81 |
| 1965 | 951 | 428 | | 272 | 90 | 230 | 631 | | 388 | | — 68 |
| **CHINA** (Taiwan) *(million new Taiwan dollars)* | | | | | | | | | | | |
| 1962 | 14,444 | 1,250 | 2,273 | 2,157 | 1,129 | 4,669 | 5,867 | 3,938 | | 1,673 | 2,966 |
| 1963 | 15,226 | 1,887 | 2,424 | 2,349 | 1,133 | 5,309 | 7,096 | 4,225 | | 1,781 | 2,124 |
| 1964 | 19,248 | 1,424 | 2,792 | 3,000 | 1,327 | 5,908 | 8,635 | 3,601 | | 2,215 | 4,797 |
| 1965 | 25,507 | 1,861 | 3,069 | 2,793 | 1,829 | 8,976 | 12,133 | 3,985 | | 2,410 | 6,979 |
| 1966 | 28,879 | 2,314 | 3,661 | 3,230 | 2,398 | 11,719 | 14,881 | 5,880 | | 2,561 | 5,557 |

## 8. COMPOSITION OF GROSS DOMESTIC CAPITAL FORMATION *(Cont'd)*

| | Gross domestic capital formation | FIXED CAPITAL FORMATION | | | | | | | | | Increase in stocks |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | By type of capital goods | | | | | By type of purchaser | | | | |
| | | Dwellings | Non-residential buildings | Other construction and works | Transport equipment | Machinery and equipment | Private enterprises | Public corporations | Government enterprises | General government | |
| INDIA *(billion rupees)* | | | | | | | | | | | |
| 1959 | 25.34 | 15.65 | | | 7.11 | | 13.08 | 3.23 | | 6.45 | 2.58 |
| 1960 | 28.71 | 17.59 | | | 8.62 | | 17.77 | 1.25 | | 7.19 | 2.50 |
| IRAN[r] *(billion rials)* | | | | | | | | | | | |
| 1961 | [b] 57.7 | 21.9 | 6.1 | 10.5 | 5.7 | 13.5 | ... | ... | ... | ... | ... |
| 1962 | 45.4 | 17.1 | 7.9 | 9.1 | 2.9 | 8.4 | ... | ... | ... | ... | ... |
| 1963 | 50.4 | 20.2 | 5.0 | 13.4 | 3.4 | 8.4 | ... | ... | ... | ... | ... |
| 1964 | 64.1 | 26.8 | 4.7 | 15.0 | 6.1 | 11.5 | ... | ... | ... | ... | ... |
| KOREA, REPUBLIC OF[r] *(billion won)* | | | | | | | | | | | |
| 1962 | 45.47 | 5.81 | 10.94 | 14.62 | 5.18 | 12.07 | 33.25 | | 5.75 | 9.62 | —3.15 |
| 1963 | 89.68 | 6.91 | 14.21 | 20.59 | 9.64 | 16.69 | 49.38 | | 8.99 | 9.67 | 21.64 |
| 1964 | 101.24 | 18.42 | 10.48 | 24.58 | 7.64 | 19.42 | 62.49 | | 9.84 | 8.21 | 20.70 |
| 1965 | 118.48 | 13.92 | 32.03 | 33.67 | 11.72 | 26.30 | 91.85 | | 11.45 | 14.34 | 0.84 |
| 1966 | 223.11 | 21.17 | 39.04 | 53.38 | 25.41 | 66.99 | 159.95 | | 21.16 | 24.88 | 17.12 |
| MALAYSIA *(million Malaysian dollars)* | | | | | | | | | | | |
| EAST: SARAWAK | | | | | | | | | | | |
| 1961 | 75.7 | 17.9 | 8.7 | 23.8 | 6.2 | 19.1 | 41.1 | 34.6 | | | ... |
| WEST | | | | | | | | | | | |
| 1962 | 1,208 | 114 | 163 | [a] 473 | 380 | | 630 | 103 | 64 | 333 | 78 |
| 1963 | 1,258 | 130 | 202 | 502 | 360 | | 710 | 90 | 63 | 331 | 64 |
| 1964[r] | 1,294 | 135 | 216 | 486 | 389 | | 759 | 92 | 77 | 298 | 68 |
| 1965 | 1,383 | 133 | 281 | 469 | 428 | | 785 | 111 | 86 | 329 | 72 |
| PHILIPPINES[r] *(million pesos)* | | | | | | | | | | | |
| 1962 | 2,884 | 425 | 393 | 332 | 583 | 977 | ... | ... | ... | ... | 174 |
| 1963 | 3,501 | 547 | 536 | 414 | 641 | 1,145 | ... | ... | ... | ... | 218 |
| 1964 | 4,303 | 696 | 666 | 333 | 861 | 1,429 | ... | ... | ... | ... | 318 |
| 1965 | 4,174 | 714 | 806 | 394 | 827 | 1,400 | ... | ... | ... | ... | 333 |
| 1966 | 4,562 | 717 | 740 | 375 | 983 | 1,439 | ... | ... | ... | ... | 308 |
| SINGAPORE *(million Singapore dollars)* | | | | | | | | | | | |
| 1962 | [b] 255.1 | 65.3 | 23.0 | 38.5 | 26.2 | 102.1 | 134.7 | 120.4 | | | ... |
| 1963 | 323.2 | 80.2 | 47.4 | 48.0 | 19.8 | 127.8 | 158.5 | 164.7 | | | ... |
| 1964 | 414.7 | 84.0 | 54.8 | 70.4 | 21.6 | 183.9 | 202.5 | 212.2 | | | ... |
| 1965 | 463.8 | 92.7 | 61.5 | 91.7 | 31.8 | 186.1 | 249.8 | 214.0 | | | ... |
| THAILAND *(million baht)* | | | | | | | | | | | |
| 1962 | 12,220 | 1,474 | 4,508 | | 1,966 | 3,691 | 8,602 | 3,037 | | | 581 |
| 1963 | 15,248 | 2,067 | 5,626 | | 2,316 | 4,953 | 11,263 | 3,698 | | | 286 |
| 1964[r] | 17,319 | 1,842 | 6,494 | | 2,944 | 5,209 | 12,251 | 4,692 | | | 377 |
| 1965[r] | 19,339 | 2,059 | 6,776 | | 8,584 | | 13,388 | 5,138 | | | 813 |
| 1966 | 21,011 | ... | | | ... | | 14,323 | 6,008 | | | 680 |
| VIET-NAM, REPUBLIC OF *(million piastres)* | | | | | | | | | | | |
| 1961 | 7,479 | 1,953 | | 824 | 841 | 3,143 | 5,288 | | 1,473 | | 718 |
| 1962 | 9,415 | 1,894 | | 758 | 1,350 | 4,662 | 7,185 | | 1,479 | | 751 |
| 1963 | 7,644 | 2,780 | | | 1,323 | 3,995 | 8,098 | | | | —454 |
| 1964 | 12,742 | 3,107 | | | 1,736 | 4,312 | 9,155 | | | | 3,587 |
| 1965 | 17,370 | 4,215 | | | 8,038 | | 12,253 | | | | 5,117 |
| AUSTRALIA[r] *(million Australian dollars)* | | | | | | | | | | | |
| 1961 | 3,433 | 587 | 3,051 | | | | 2,295 | 743 | | 600 | —205 |
| 1962 | 4,266 | 697 | 3,250 | | | | 2,531 | 778 | | 638 | 319 |
| 1963 | 4,597 | 815 | 3,635 | | | | 2,884 | 847 | | 719 | 147 |
| 1964 | 5,851 | 956 | 4,220 | | | | 3,371 | 997 | | 808 | 675 |
| 1965 | 5,452 | 968 | 4,683 | | | | 3,685 | 1,092 | | 874 | —199 |
| 1966 | 5,370 | 1,037 | 4,793 | | | | 3,687 | 1,205 | | 938 | —460 |
| JAPAN *(billion yen)* | | | | | | | | | | | |
| 1962 | 7,475 | 1,050 | 2,885 | | 3,321 | | 5,057 | 963 | | 1,236 | 219 |
| 1963 | 9,157 | 1,334 | 3,099 | | 3,668 | | 5,614 | 1,119 | | 1,368 | 1,055 |
| 1964[r] | 10,351 | 1,676 | 3,485 | | 4,129 | | 6,668 | 1,163 | | 1,571 | 949 |
| 1965[r] | 10,312 | 2,022 | 3,870 | | 4,018 | | 6,663 | 1,409 | | 1,818 | 423 |
| 1966 | 12,946 | 2,343 | .... | | ... | | 7,795 | 1,658 | | 2,111 | 1,382 |
| NEW ZEALAND *(million New Zealand dollars)* | | | | | | | | | | | |
| 1961 | 656 | [d] 110 | [d] 150 | 373 | | | 392 | 241 | | | 23 |
| 1962 | 678 | 118 | 166 | 361 | | | 390 | 255 | | | 33 |
| 1963 | 801 | 160 | 134 | 423 | | | 430 | 287 | | | 84 |
| 1964 | 903 | 188 | 170 | 451 | | | 497 | 312 | | | 94 |
| 1965 | 1,039 | 202 | 180 | 515 | | | 555 | 342 | | | 142 |
| 1966 | 1,073 | 203 | 189 | 536 | | | 561 | 367 | | | 145 |

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a. Including land.
b. Gross fixed capital formation.
c. Including land and planting of perennial crops.
d. Permit value.

## 9. INDEX NUMBERS OF AGRICULTURAL PRODUCTION

*1952—1956=100*

| | Developing ECAFE | Burma | Ceylon | China (Taiwan) | India | Indonesia | Iran | Korea, Republic of | Malaysia: West | Pakistan | Philippines | Thailand | Australia | Japan | New Zealand |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **ALL COMMODITIES** | | | | | | | | | | | | | | | |
| 1955 . . | 103 | 99 | 108 | 101 | 104 | 102 | 102 | 114 | 106 | 99 | 101 | 105 | 104 | 113 | 102 |
| 1956 . . | 107 | 106 | 102 | 108 | 107 | 103 | 112 | 106 | 106 | 105 | 109 | 113 | 106 | 110 | 106 |
| 1957 . . | 107 | 94 | 106 | 118 | 107 | 104 | 118 | 116 | 108 | 106 | 114 | 93 | 100 | 113 | 107 |
| 1958 . . | 111 | 109 | 108 | 124 | 111 | 108 | 120 | 124 | 112 | 104 | 115 | 108 | 119 | 118 | 114 |
| 1959 . . | 116 | 116 | 111 | 123 | 115 | 109 | 127 | 126 | 117 | 113 | 115 | 114 | 119 | 117 | 120 |
| 1960 . . | 120 | 116 | 117 | 123 | 121 | 110 | 123 | 125 | 123 | 116 | 123 | 130 | 124 | 118 | 122 |
| 1961 . . | 124 | 119 | 121 | 129 | 125 | 109 | 132 | 136 | 131 | 119 | 124 | 139 | 126 | 120 | 124 |
| 1962 . . | 126 | 130 | 128 | 128 | 126 | 116 | 130 | 121 | 132 | 119 | 134 | 146 | 134 | 129 | 130 |
| 1963 . . | 129 | 131 | 132 | 133 | 128 | 108 | 139 | 136 | 139 | 128 | 138 | 158 | 139 | 127 | 131 |
| 1964 . . | 132 | 140 | 138 | 146 | 131 | 117 | 136 | 171 | 141 | 127 | 139 | 157 | 145 | 132 | 135 |
| 1965 . . | 130 | 133 | 133 | 159 | 124 | 114 | 146 | 170 | 151 | 130 | 135 | 167 | 134 | 133 | 141 |
| 1966 . . | 131 | 117 | 138 | 166 | 123 | 119 | 147 | 184 | 159 | 128 | 151 | 191 | 153 | 137 | 145 |
| 1967 . . | 139 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **FOOD** | | | | | | | | | | | | | | | |
| 1955 . . | 102 | 99 | 113 | 101 | 104 | 102 | 101 | 114 | 104 | 97 | 101 | 104 | 105 | 112 | 101 |
| 1956 . . | 107 | 107 | 99 | 108 | 106 | 104 | 113 | 106 | 110 | 105 | 108 | 113 | 100 | 110 | 105 |
| 1957 . . | 107 | 93 | 102 | 117 | 106 | 105 | 119 | 118 | 112 | 107 | 113 | 90 | 96 | 113 | 106 |
| 1958 . . | 112 | 111 | 102 | 123 | 111 | 110 | 120 | 126 | 117 | 105 | 114 | 105 | 120 | 118 | 111 |
| 1959 . . | 117 | 118 | 111 | 122 | 116 | 111 | 126 | 128 | 118 | 115 | 114 | 110 | 115 | 118 | 116 |
| 1960 . . | 121 | 118 | 117 | 122 | 121 | 113 | 120 | 128 | 134 | 120 | 121 | 124 | 125 | 120 | 118 |
| 1961 . . | 124 | 121 | 121 | 129 | 125 | 110 | 128 | 139 | 147 | 121 | 121 | 132 | 125 | 121 | 120 |
| 1962 . . | 126 | 132 | 131 | 127 | 125 | 117 | 128 | 122 | 148 | 120 | 130 | 143 | 139 | 131 | 125 |
| 1963 . . | 129 | 133 | 136 | 131 | 128 | 109 | 135 | 139 | 157 | 130 | 136 | 154 | 143 | 128 | 127 |
| 1964 . . | 133 | 143 | 150 | 145 | 130 | 119 | 131 | 174 | 150 | 130 | 135 | 149 | 150 | 133 | 133 |
| 1965 . . | 129 | 136 | 130 | 159 | 124 | 114 | 139 | 172 | 164 | 132 | 133 | 154 | 139 | 134 | 134 |
| 1966 . . | 130 | 120 | 140 | 166 | 123 | 119 | 143 | 185 | 170 | 127 | 149 | 180 | 164 | 139 | 138 |
| 1967 . . | 138 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **CEREALS** | | | | | | | | | | | | | | | |
| 1955 . . | 101 | 98 | 121 | 97 | 103 | 101 | 98 | 112 | 101 | 90 | 103 | 101 | 112 | 117 | 94 |
| 1956 . . | 107 | 108 | 96 | 108 | 106 | 102 | 116 | 99 | 104 | 108 | 105 | 115 | 86 | 107 | 78 |
| 1957 . . | 102 | 88 | 109 | 112 | 102 | 102 | 119 | 111 | 121 | 104 | 100 | 78 | 63 | 108 | 101 |
| 1958 . . | 111 | 110 | 125 | 115 | 112 | 111 | 115 | 121 | 122 | 99 | 116 | 99 | 136 | 112 | 108 |
| 1959 . . | 117 | 117 | 125 | 113 | 118 | 111 | 128 | 125 | 109 | 115 | 121 | 97 | 111 | 117 | 130 |
| 1960 . . | 124 | 113 | 146 | 117 | 126 | 119 | 113 | 122 | 139 | 124 | 121 | 114 | 158 | 118 | 178 |
| 1961 . . | 125 | 116 | 147 | 123 | 128 | 112 | 122 | 137 | 152 | 124 | 128 | 120 | 135 | 115 | 189 |
| 1962 . . | 127 | 129 | 164 | 129 | 128 | 126 | 121 | 122 | 144 | 119 | 129 | 136 | 162 | 117 | 170 |
| 1963 . . | 131 | 131 | 167 | 128 | 132 | 109 | 135 | 133 | 156 | 136 | 127 | 148 | 170 | 103 | 189 |
| 1964 . . | 136 | 143 | 171 | 136 | 136 | 125 | 120 | 153 | 135 | 137 | 131 | 143 | 189 | 108 | 226 |
| 1965 . . | 126 | 135 | 124 | 142 | 118 | 119 | 135 | 146 | 161 | 139 | 134 | 139 | 140 | 107 | 212 |
| 1966 . . | 127 | 113 | 157 | 145 | 117 | 130 | 142 | 162 | 165 | 127 | 138 | 179 | 240 | 106 | 233 |
| 1967 . . | 141 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **PER CAPUT FOOD PRODUCTION** | | | | | | | | | | | | | | | |
| 1955 . . | 100 | 97 | 110 | 97 | 102 | 100 | 99 | 114 | 102 | 95 | 99 | 101 | 103 | 111 | 99 |
| 1956 . . | 102 | 104 | 94 | 101 | 102 | 100 | 107 | 103 | 104 | 101 | 102 | 107 | 96 | 107 | 101 |
| 1957 . . | 100 | 89 | 95 | 106 | 100 | 99 | 109 | 111 | 102 | 100 | 103 | 82 | 90 | 109 | 99 |
| 1958 . . | 103 | 104 | 93 | 108 | 103 | 102 | 107 | 116 | 104 | 97 | 101 | 93 | 109 | 114 | 102 |
| 1959 . . | 105 | 108 | 98 | 103 | 105 | 100 | 110 | 114 | 102 | 103 | 98 | 95 | 103 | 112 | 104 |
| 1960 . . | 106 | 105 | 100 | 99 | 107 | 100 | 102 | 111 | 112 | 105 | 101 | 104 | 110 | 113 | 104 |
| 1961 . . | 106 | 107 | 101 | 101 | 108 | 95 | 105 | 117 | 119 | 103 | 98 | 107 | 107 | 113 | 104 |
| 1962 . . | 105 | 114 | 107 | 96 | 106 | 98 | 103 | 100 | 115 | 100 | 102 | 113 | 117 | 121 | 105 |
| 1963 . . | 105 | 112 | 108 | 97 | 105 | 89 | 106 | 111 | 119 | 106 | 103 | 118 | 118 | 118 | 104 |
| 1964 . . | 105 | 118 | 116 | 104 | 105 | 96 | 99 | 135 | 111 | 103 | 99 | 111 | 121 | 120 | 107 |
| 1965 . . | 100 | 110 | 98 | 110 | 98 | 90 | 103 | 130 | 118 | 102 | 94 | 111 | 110 | 120 | 106 |
| 1966 . . | 98 | 95 | 104 | 112 | 95 | 92 | 103 | 136 | 116 | 95 | 102 | 126 | 128 | 123 | 108 |
| 1967 . . | 102 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **PER CAPUT CEREAL PRODUCTION** | | | | | | | | | | | | | | | |
| 1955 . . | 99 | 97 | 118 | 94 | 101 | 99 | 96 | 111 | 98 | 89 | 100 | 98 | 110 | 116 | 52 |
| 1956 . . | 102 | 104 | 91 | 101 | 102 | 98 | 110 | 96 | 98 | 103 | 99 | 109 | 82 | 104 | 75 |
| 1957 . . | 96 | 83 | 101 | 101 | 96 | 96 | 110 | 105 | 111 | 97 | 92 | 72 | 59 | 105 | 94 |
| 1958 . . | 102 | 102 | 113 | 101 | 103 | 102 | 103 | 111 | 108 | 91 | 103 | 88 | 125 | 107 | 99 |
| 1959 . . | 105 | 107 | 110 | 95 | 106 | 100 | 111 | 112 | 94 | 103 | 104 | 84 | 99 | 111 | 117 |
| 1960 . . | 108 | 102 | 126 | 95 | 111 | 105 | 96 | 106 | 116 | 108 | 101 | 96 | 139 | 112 | 157 |
| 1961 . . | 107 | 102 | 123 | 97 | 111 | 96 | 101 | 115 | 123 | 106 | 103 | 97 | 116 | 107 | 163 |
| 1962 . . | 106 | 111 | 133 | 98 | 108 | 106 | 97 | 100 | 112 | 99 | 101 | 107 | 137 | 108 | 143 |
| 1963 . . | 107 | 110 | 133 | 94 | 109 | 90 | 106 | 106 | 118 | 110 | 96 | 114 | 141 | 95 | 155 |
| 1964 . . | 108 | 118 | 133 | 97 | 109 | 100 | 91 | 118 | 100 | 108 | 96 | 106 | 153 | 98 | 182 |
| 1965 . . | 98 | 110 | 94 | 99 | 93 | 93 | 100 | 110 | 116 | 107 | 95 | 101 | 111 | 96 | 168 |
| 1966 . . | 96 | 90 | 116 | 98 | 90 | 100 | 102 | 119 | 115 | 95 | 94 | 125 | 188 | 95 | 182 |
| 1967 . . | 104 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |

*Source:* Food and Agriculture Organization of the United Nations.

*General note:* These indices are calculated by FAO on a uniform basis. They differ from national indices compiled by the countries themselves of differences in concepts of production, coverage, weights, and methods of calculation.

## PRODUCTION

### 10. AREA AND PRODUCTION OF SELECTED AGRICULTURAL COMMODITIES

| | AREA *(1,000 hectares)* | | | | | | PRODUCTION *(1,000 tons)* | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1948–1952 | 1963 | 1964 | 1965 | 1966 | 1967 | 1948–1952 | 1963 | 1964 | 1965 | 1966 | 1967 |
| RICE *(paddy)* | | | | | | | | | | | | |
| Afghanistan | 180 | 210 | 220 | 220 | 220 | ... | 331 | 319 | 380 | 380 | 337 | ... |
| Brunei | 3 | 3 | 3 | 3 | 2 | ... | 6 | 4 | 3 | 3 | 3 | ... |
| Burma | 3,757 | 4,877 | 4,976 | 4,848 | 4,516 | ... | 5,481 | 7,783 | 8,508 | 8,055 | 6,636 | *8,052* |
| Cambodia | 1,679 | 2,233 | 2,377 | 2,344 | 2,182 | 2,020 | 1,635 | 2,622 | 2,760 | 2,500 | 2,376 | 2,457 |
| Ceylon | 336 | 525 | 528 | 427 | 520 | ... | 479 | 1,026 | 1,054 | 757 | 955 | ... |
| China: mainland | 26,819 | ... | ... | *31,000* | ... | ... | 58,188 | *81,000* | *85,000* | *89,000* | *88,000* | ... |
| Taiwan | 762 | 749 | 765 | 773 | 789 | 818 | 1,681 | 2,623 | 2,794 | 2,920 | 2,960 | 3,029 |
| Hong Kong | 16 | 8 | 9 | 9 | 9 | ... | 37 | 14 | 12 | 21 | 17 | ... |
| India | 30,092 | 35,809 | 36,364 | 35,273 | 35,598 | ... | 33,383 | 55,497 | 58,551 | 45,983 | 45,660 | *60,000* |
| Indonesia | 5,876 | 6,727 | 6,987 | 7,348 | 7,568 | ... | 9,441 | 11,900 | 12,628 | 13,245 | 14,103 | ... |
| Iran | *220* | 364 | 364 | 370 | 375 | ... | *424* | 860 | 800 | 845 | 875 | *925* |
| Korea, Republic of Δ | 934 | 1,155 | 1,195 | 1,228 | 1,231 | ... | 3,385 | 5,079 | 5,344 | 4,731 | 5,297 | ... |
| Laos | 718 | 600 | 916 | 916 | 916 | ... | 530 | 520 | 735 | 740 | 623 | ... |
| Malaysia: | | | | | | | | | | | | |
| East: | | | | | | | | | | | | |
| Sabah | 34 | 38 | 35 | 37 | 35 | 39 | 39 | 69 | 75 | 85 | 73 | 85 |
| Sarawak | 96 | 115 | 113 | 117 | 111 | 109 | 99 | 107 | 103 | 113 | 120 | 90 |
| West | 276 | 337 | 322 | 340 | 344 | 320 | 532 | 864 | 746 | 892 | 913 | 887 |
| Nepal | *1,295* | 1,090 | 1,125 | 1,100 | 1,030 | ... | 2,460 | 2,108 | 2,201 | 2,207 | 2,007 | ... |
| Pakistan | 9,003 | 10,294 | 10,584 | 10,754 | 10,480 | 10,926 | 12,399 | 17,724 | 17,780 | 17,795 | 16,410 | *18,000* |
| Philippines | 2,350 | 3,087 | 3,200 | 3,109 | 3,081 | 3,126 | 2,767 | 3,843 | 3,992 | 4,073 | 4,165 | 4,513 |
| Thailand | 5,211 | 6,354 | 5,971 | 5,925 | 6,878 | ... | 6,846 | 10,029 | 9,558 | 9,218 | 11,846 | *10,000* |
| Viet-Nam: Republic of | 1,760 | 2,538 | 2,562 | 2,429 | 2,295 | ... | 2,395 | 5,327 | 5,185 | 4,822 | 4,336 | ... |
| North | 1,140 | 1,959 | 2,426 | 2,500 | 2,500 | ... | 1,420 | 4,296 | 4,512 | 4,600 | 4,500 | ... |
| Australia | 14 | 22 | 24 | 25 | 26 | 30 | 63 | 136 | 142 | 153 | 182 | 215 |
| Japan Δ | 2,996 | 3,272 | 3,260 | 3,255 | 3,254 | 3,263 | 12,736 | 16,639 | 16,343 | 16,116 | 16,552 | 18,768 |
| WHEAT | | | | | | | | | | | | |
| Afghanistan | 2,000 | 2,341 | 2,345 | 2,345 | 2,345 | ... | 1,700 | 1,947 | 2,250 | 2,282 | 2,033 | ... |
| Burma | 14 | 58 | 80 | 111 | 152 | 134 | 4 | 33 | 54 | 72 | 97 | 67 |
| China: mainland | 23,049 | ... | ... | ... | ... | ... | 15,912 | *21,800* | *25,500* | *26,000* | *25,700* | ... |
| Taiwan | 14 | 14 | 9 | 11 | 14 | 12 | 13 | 19 | 20 | 23 | 29 | 24 |
| India | 9,290 | 13,590 | 13,499 | 13,460 | 12,656 | 13,135 | 6,087 | 10,776 | 9,853 | 12,290 | 10,424 | 11,528 |
| Iran | *2,085* | 4,000 | 3,700 | 4,000 | 4,200 | ... | 1,879 | 3,000 | 2,600 | 3,000 | 3,190 | *3,800* |
| Korea, Republic of | 95 | 137 | 146 | 152 | 153 | ... | 139 | 228 | 309 | 300 | 315 | ... |
| Mongolia | 10 | 330 | 300 | 300 | 320 | ... | ... | ... | (335) | (320) | ... | ... |
| Nepal | 128 | 130 | 140 | 124 | 118 | 126 | 117 | 138 | 138 | 152 | 147 | 159 |
| Pakistan | 4,218 | 5,096 | 5,076 | 5,371 | 5,276 | 5,417 | 3,685 | 4,215 | 4,196 | 4,625 | 3,933 | 4,393 |
| Australia | 4,620 | 6,667 | 7,251 | 7,088 | 8,205 | 9,227 | 5,161 | 8,924 | 10,040 | 7,067 | 12,570 | 7,484 |
| Japan | 745 | 584 | 508 | 476 | 421 | ... | 1,375 | *716* | 1,244 | 1,287 | 1,024 | 997 |
| New Zealand | 51 | 91 | 83 | 74 | 81 | 89 | 139 | 249 | 274 | 250 | 292 | 322 |
| BARLEY | | | | | | | | | | | | |
| Afghanistan | 346 | 350 | 350 | 350 | 350 | ... | 269 | 378 | 380 | 380 | 375 | ... |
| India | 3,128 | 3,019 | 2,774 | 2,684 | 2,633 | 2,859 | 2,384 | 2,420 | 2,038 | 2,523 | 2,377 | 2,449 |
| Iran | *757* | 1,200 | 1,200 | 1,200 | 1,200 | ... | *767* | 1,000 | 900 | 1,000 | 1,000 | ... |
| Korea, Republic of | 624 | 888 | 934 | 1,023 | 961 | ... | 846 | 918 | 1,515 | 1,807 | 2,018 | ... |
| Mongolia | ... | ... | ... | ... | ... | ... | ... | ... | (11) | (9) | ... | ... |
| Pakistan | 223 | 227 | 200 | 206 | 176 | 185 | 150 | 145 | 124 | 130 | 96 | 104 |
| Australia | 455 | 815 | 835 | 930 | 890 | 890 | 531 | 984 | 1,118 | 949 | 1,322 | 794 |
| Japan | 984 | 565 | 478 | 422 | 388 | ... | 2,020 | 759 | 1,203 | 1,234 | 1,105 | 1,032 |
| New Zealand | 22 | 35 | 38 | 35 | 34 | 36 | 49 | 95 | 131 | 106 | 114 | 124 |
| MAIZE | | | | | | | | | | | | |
| Afghanistan | 350 | 500 | 505 | 500 | 505 | ... | 350 | 713 | 720 | 720 | 720 | ... |
| Burma | 66 | 131 | 114 | 126 | 143 | ... | 30 | 73 | 54 | 48 | 61 | ... |
| Cambodia | 38 | 115 | 127 | 137 | 89 | 108 | 57 | 183 | 204 | 139 | 136 | 150 |
| Ceylon | 15 | 14 | 11 | 12 | 12 | ... | 8 | 11 | 9 | 10 | 10 | ... |
| China: mainland | *9,570* | ... | ... | ... | ... | ... | *14,082* | ... | ... | ... | ... | ... |
| Taiwan | 5 | 19 | 20 | 19 | 22 | 24 | 7 | 35 | 42 | 41 | 52 | 64 |
| India | 3,349 | 4,582 | 4,618 | 4,765 | 5,061 | ... | 2,165 | 4,561 | 4,658 | 4,760 | 4,991 | *5,500* |
| Indonesia | 2,020 | 2,533 | 3,644 | 2,537 | 3,186 | ... | 1,535 | 2,358 | 3,769 | 2,283 | 2,874 | ... |
| Iran | 6 | 16 | 16 | 16 | 17 | ... | 6 | 14 | 14 | 14 | 15 | ... |
| Korea, Republic of | 24 | 31 | 43 | 49 | 42 | ... | 14 | 20 | 35 | 40 | 34 | ... |
| Laos | 18 | 30 | 40 | 40 | 40 | ... | 12 | 15 | 19 | 23 | 20 | ... |
| Malaysia: | | | | | | | | | | | | |
| East: Sabah | 2 | 4 | 4 | 3 | 4 | ... | 2 | 3 | 3 | 2 | 2 | ... |
| West | 5 | 5 | 5 | 5 | 4 | 3 | 6 | 7 | 7 | 7 | 7 | ... |
| Nepal | 460 | 434 | 437 | 438 | 420 | ... | 829 | 849 | 854 | 856 | 824 | ... |
| Pakistan | 393 | 505 | 490 | 546 | 557 | 609 | 384 | 530 | 531 | 543 | 590 | ... |
| Philippines | 969 | 1,898 | 1,923 | 2,106 | 2,167 | 2,196 | 695 | 1,293 | 1,313 | 1,380 | 1,435 | 1,483 |
| Thailand | 34 | 388 | 541 | 562 | 570 | ... | 31 | 858 | 935 | 1,021 | 1,277 | *1,000* |
| Viet-Nam, Republic of | 25 | 37 | 37 | 36 | 29 | ... | 30 | 37 | 46 | 44 | 35 | ... |
| Australia | 72 | *87* | 86 | 80 | 90 | 91 | 126 | 171 | 175 | 125 | 203 | 175 |
| Japan | 40 | 38 | 36 | 30 | 26 | 24 | 57 | 104 | 84 | 75 | 63 | *60* |
| New Zealand | 3 | 3 | 4 | 4 | 3 | 3 | 10 | 15 | 19 | 24 | 19 | 17 |

## 10. AREA AND PRODUCTION OF SELECTED AGRICULTURAL COMMODITIES *(Cont'd)*

| | AREA *(1,000 hectares)* | | | | | | PRODUCTION *(1,000 tons)* | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1948–1952 | 1963 | 1964 | 1965 | 1966 | 1967 | 1948–1952 | 1963 | 1964 | 1965 | 1966 | 1967 |
| **SUGAR CANE (Crop year)** | | | | | | | | | | | | |
| Afghanistan (beet) | *4* | *4* | *4* | *4* | *4* | *4* | 30 | 56 | 31 | 60 | *58* | *60* |
| Burma[a] | 21 | 34 | 35 | 42 | 47 | ... | 944 | 1,114 | 1,084 | 1,448 | 1,584 | ... |
| China: mainland[a] Δ | 161 | 380 | 400 | 400 | 420 | ... | 5,656 | 20,000 | 22,000 | 23,000 | 25,000 | ... |
| Taiwan[b] | 107 | 95 | 111 | 106 | 99 | ... | 5,767 | 6,747 | 9,490 | 8,924 | 7,000 | ... |
| India[a] Δ | 1,672 | 2,249 | 2,562 | 2,780 | 2,329 | ... | 53,865 | 104,225 | 119,598 | 119,642 | 92,726 | ... |
| Indonesia[a] | 45 | 100 | 100 | 110 | 100 | ... | 3,538 | 8,404 | 8,757 | 9,602 | 7,500 | ... |
| Nepal[a] | *4* | 10 | 9 | 11 | 9 | ... | *80* | 203 | 126 | 192 | 147 | ... |
| Pakistan[a] Δ | 304 | 618 | 647 | 751 | 817 | 772 | 10,063 | 21,589 | 24,999 | 23,981 | 30,182 | 30,690 |
| Philippines[c] | 160 | 248 | 328 | 293 | 285 | ... | 6,684 | 13,630 | 13,000 | 11,700 | 13,000 | ... |
| Thailand[a] | 57 | 148 | 161 | 140 | 120 | ... | 990 | 4,733 | 5,074 | 4,480 | 3,900 | ... |
| Viet-Nam,[a] Republic of Δ | 17 | 34 | 34 | 33 | 30 | ... | 250 | 1,055 | 1,093 | 936 | 850 | ... |
| Australia[b] | 112 | 169 | 190 | 204 | 230 | 235 | 6,686 | 12,314 | 15,312 | 14,382 | 16,968 | 17,528 |
| Japan[a] | 4 | 10 | 9 | 12 | 13 | ... | 95 | 469 | 642 | 832 | 790 | ... |
| **POTATOES** | | | | | | | | | | | | |
| Burma | 8 | 20 | 16 | 15 | 14 | 8 | 29 | 63 | 50 | 46 | 34 | 21 |
| China (Taiwan) | — | 1 | 2 | 1 | 1 | 2 | 1 | 10 | 19 | 16 | 16 | 23 |
| India | 227 | 413 | 415 | 431 | 480 | 471 | 1,547 | 3,365 | 2,593 | 3,668 | 4,060 | 3,462 |
| Iran | 4 | 20 | 20 | 20 | 20 | ... | 37 | 105 | 106 | 110 | 108 | ... |
| Korea, Republic of | 42 | 45 | 47 | 61 | 60 | ... | 302 | 391 | 570 | 581 | 688 | ... |
| Mongolia | ... | 2 | 3 | 3 | 3 | ... | 2 | 22 | 25 | 27 | 27 | ... |
| Pakistan | 17 | 71 | 70 | 74 | 78 | 89 | 139 | 478 | 460 | 575 | 648 | 768 |
| Philippines | — | 3 | 3 | 3 | 3 | ... | 1 | 18 | 16 | 17 | 17 | 16 |
| Australia | 52 | 46 | 41 | 36 | 39 | 41 | 477 | 677 | 571 | 516 | 649 | 610 |
| Japan | 210 | 208 | 220 | 213 | 195 | 184 | 2,451 | 3,409 | 3,914 | 4,056 | 3,383 | 3,701 |
| New Zealand | 8 | 11 | 12 | 13 | 13 | 12 | 130 | 230 | 241 | 318 | 325 | 280 |
| **MILLET (M) AND SORGHUM (S)** | | | | | | | | | | | | |
| Burma M | 199 | 154 | 142 | 144 | 145 | 133 | 70 | 46 | 49 | 36 | 41 | 26 |
| Ceylon M | 38 | 31 | 26 | 28 | 24 | ... | 18 | 19 | 20 | 20 | 24 | ... |
| S | — | 1 | 1 | 2 | 1 | ... | ... | 1 | 1 | 1 | 2 | ... |
| China (Taiwan) M | 7 | 5 | 5 | 6 | 6 | ... | 5 | 4 | 6 | 6 | 6 | ... |
| S | 2 | 3 | 3 | 4 | 5 | ... | 1 | 2 | 2 | 7 | 8 | ... |
| India M | 16,605 | 18,195 | 18,676 | 18,263 | 19,553 | ... | 6,064 | 7,921 | 8,304 | 6,487 | 7,774 | ... |
| S | 15,894 | 18,376 | 17,938 | 17,504 | 18,001 | ... | 5,981 | 9,198 | 9,749 | 7,527 | 8,944 | ... |
| Iran M | 15 | 17 | 17 | 17 | 17 | ... | 16 | 18 | 18 | 18 | 18 | ... |
| S | 9 | 10 | 10 | 10 | 10 | ... | 8 | 10 | 10 | 10 | 10 | ... |
| Korea, Republic of M | 191 | 142 | 141 | 128 | 98 | ... | 60 | 75 | 76 | 63 | 59 | ... |
| S | 16 | 13 | 16 | 15 | 14 | ... | 7 | 6 | 8 | 7 | 8 | ... |
| Nepal M + S | 51 | 69 | 96 | 100 | 105 | ... | 52 | 79 | 65 | 120 | 120 | ... |
| Pakistan M | 918 | 741 | 911 | 840 | 837 | 887 | 342 | 362 | 446 | 370 | 371 | ... |
| S | 505 | 468 | 586 | 594 | 559 | 598 | 239 | 238 | 293 | 274 | 277 | ... |
| Australia M | 7 | 27 | 22 | 25 | 30 | ... | 7 | 26 | 24 | 22 | 30 | ... |
| S | 57 | 148 | 140 | 175 | 183 | 179 | 75 | 215 | 195 | 195 | 321 | 286 |
| Japan M | 113 | 31 | 27 | 22 | 18 | ... | 127 | 53 | 42 | 34 | 28 | ... |
| S | 5 | 1 | 1 | 1 | 1 | ... | 6 | 1 | 1 | 1 | 1 | ... |
| **SWEET POTATOES AND YAMS** | | | | | | | | | | | | |
| Cambodia | 2 | 3 | 4 | 3 | 2 | 1 | 31 | 29 | 30 | 21 | 13 | 13 |
| Ceylon | 15 | 15 | 14 | 14 | 17 | ... | 37 | 57 | 68 | 51 | 62 | ... |
| China (Taiwan) | 232 | 227 | 246 | 234 | 235 | 229 | 2,096 | 2,148 | 3,348 | 3,131 | 3,460 | 3,628 |
| Hong Kong | 4 | 4 | 2 | 2 | 1 | ... | 18 | 29 | 19 | 20 | 12 | ... |
| India | 146 | 133 | 130 | 155 | 172 | ... | 894 | 850 | 855 | 1,090 | 1,008 | ... |
| Indonesia | 249 | 443 | 620 | 419 | 453 | ... | 1,666 | 3,014 | 3,931 | 2,723 | 2,308 | ... |
| Korea, Republic of | 41 | 91 | 133 | 151 | 148 | ... | 482 | 1,404 | 2,651 | 2,997 | 2,690 | ... |
| Malaysia: | | | | | | | | | | | | |
| East: Sabah | 1 | ... | ... | 1 | 1 | ... | 12 | 3 | 3 | 4 | 4 | ... |
| West | 19 | 8 | 9 | 9 | 6 | 6 | 198 | 95 | 100 | 100 | 70 | ... |
| Philippines | 113 | 158 | 146 | 139 | 133 | 140 | 465 | 784 | 725 | 701 | 657 | 681 |
| Singapore | 1 | 1 | 1 | 1 | 1 | ... | 9 | 5 | 5 | 5 | 4 | ... |
| Thailand | 9 | 28 | 27 | 27 | 27 | ... | 64 | 208 | 180 | 196 | 180 | ... |
| Viet-Nam, Republic of | 28 | 47 | 48 | 43 | 39 | ... | 154 | 300 | 301 | 278 | 246 | ... |
| Japan | 402 | 313 | 297 | 257 | 243 | 214 | 6,074 | 6,662 | 5,875 | 4,955 | 4,810 | 4,031 |
| **CASSAVA** | | | | | | | | | | | | |
| Cambodia | — | 1 | 1 | 2 | 1 | 2 | 6 | 13 | 15 | 30 | 18 | 23 |
| Ceylon | 63 | 46 | 45 | 53 | 48 | ... | 204 | 351 | 369 | 328 | 288 | ... |
| China (Taiwan) | 10 | 17 | 17 | 18 | 17 | 17 | 101 | 217 | 242 | 265 | 264 | 256 |
| India | 234 | 247 | 244 | 240 | 261 | ... | 1,255 | 1,757 | 2,821 | 3,029 | 3,361 | ... |
| Indonesia | 873 | 1,559 | 1,578 | 1,554 | 1,565 | ... | 6,817 | 11,575 | 12,223 | 10,273 | 10,845 | ... |
| Philippines | 49 | 94 | 93 | 90 | 89 | 86 | 290 | 596 | 646 | 614 | 580 | 590 |
| Thailand | 14 | 139 | 105 | 100 | 100 | ... | 269 | 2,111 | 1,557 | 1,475 | 1,500 | ... |
| Viet-Nam, Republic of | 18 | 52 | 43 | 43 | 39 | 38 | 180 | 389 | 289 | 236 | 280 | ... |

## 10. AREA AND PRODUCTION OF SELECTED AGRICULTURAL COMMODITIES *(Cont'd)*

| | AREA *(1,000 hectares)* | | | | | | PRODUCTION *(1,000 tons)* | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1948–1952 | 1963 | 1964 | 1965 | 1966 | 1967 | 1948–1952 | 1963 | 1964 | 1965 | 1966 | 1967 |
| SOYBEANS | | | | | | | | | | | | |
| Cambodia | 9 | 14 | 12 | 8 | 8 | 9 | 6 | 11 | 8 | 5 | 7 | 10 |
| China: mainland | *8,994* | 13,050 | 13,680 | 13,370 | 13,370 | ... | *7,282* | 10,410 | 11,180 | 10,970 | 10,970 | ... |
| Taiwan | 22 | 55 | 51 | 53 | 53 | 54 | 13 | 53 | 58 | 66 | 63 | 77 |
| Indonesia | 380 | 540 | 574 | 598 | 589 | ... | 270 | 353 | 392 | 356 | 353 | 365 |
| Korea, Republic of | 244 | 283 | 281 | 311 | 276 | ... | 136 | 156 | 163 | 174 | 161 | ... |
| Thailand | 17 | 32 | 34 | 18 | 17 | 17 | 14 | 33 | 31 | 19 | 19 | 20 |
| Viet-Nam, Republic of | ... | 6 | 6 | 5 | 7 | ... | ... | 5 | 4 | 4 | 8 | ... |
| Japan | 346 | 233 | 217 | 184 | 169 | 141 | 375 | 318 | 240 | 230 | 199 | 190 |
| GROUND NUTS (in shell) | | | | | | | | | | | | |
| Burma | 277 | 558 | 529 | 518 | 449 | ... | 154 | 337 | 345 | 288 | 278 | ... |
| Cambodia | 7 | 7 | 19 | 24 | 23 | 22 | 4 | 7 | 19 | 24 | 21 | 25 |
| China: mainland | *1,528* | 1,621 | 1,880 | 1,940 | 1,980 | 1,980 | *2,057* | 1,900 | 2,291 | 2,300 | 2,360 | 2,500 |
| Taiwan | 80 | 98 | 101 | 104 | 98 | 100 | 57 | 91 | 116 | 126 | 115 | 133 |
| India | 4,379 | 6,886 | 7,216 | 7,428 | 7,251 | ... | 3,197 | 5,298 | 5,888 | 4,231 | 4,485 | 6,000 |
| Indonesia | 285 | 348 | 366 | 372 | 383 | ... | 283 | 385 | 435 | 465 | 488 | 500 |
| Pakistan | 3 | 24 | 26 | 34 | 51 | 51 | 1 | 23 | 33 | 44 | 70 | 70 |
| Philippines | 27 | 25 | 24 | 24 | 26 | 26 | 19 | 14 | 13 | 14 | 14 | 15 |
| Thailand | 63 | 82 | 87 | 88 | 99 | 100 | 60 | 113 | 120 | 121 | 130 | 134 |
| Viet-Nam, Republic of | 5 | 35 | 35 | 32 | 31 | ... | 3 | 32 | 37 | 33 | 34 | ... |
| Australia | 9 | 15 | 21 | 19 | 23 | ... | 9 | 16 | 11 | 11 | 28 | ... |
| Japan$^d$ | 16 | 61 | 63 | 67 | 65 | ... | 21 | 144 | 131 | 137 | 139 | 139 |
| COTTON SEED | | | | | | | | | | | | |
| Afghanistan | *21* | 132 | 142 | 121 | 101 | 111 | *14* | 73 | 52 | 50 | 40 | 44 |
| Burma | 118 | 235 | 232 | 204 | 173 | ... | 37 | 36 | 45 | 30 | 31 | ... |
| Cambodia | ... | 4 | 6 | 6 | 4 | 3 | — | 2 | 4 | 2 | 1 | 2 |
| India | 5,659 | 8,221 | 8,271 | 7,942 | 7,834 | *7,892* | 1,150 | 2,277 | 2,134 | 1,994 | 1,994 | 2,234 |
| Indonesia | 5 | 15 | 15 | 15 | 15 | ... | *2* | 6 | 6 | 6 | 6 | ... |
| Iran | *133* | 374 | 384 | 384 | 393 | ... | *53* | 253 | 266 | 308 | 249 | 262 |
| Korea, Republic of | 129 | 25 | 23 | 19 | 19 | 18 | 42 | 8 | 8 | 8 | 9 | 8 |
| Pakistan | 1,245 | 1,486 | 1,481 | 1,576 | 1,635 | ... | 522 | 844 | 762 | 778 | 914 | 1,020 |
| Thailand | 34 | 70 | 66 | 72 | 90 | ... | 13 | 32 | 33 | 40 | 44 | ... |
| Australia | 2 | 17 | 15 | 22 | 23 | 30 | — | 6 | 19 | 40 | 35 | 51 |
| SESAME SEED | | | | | | | | | | | | |
| Burma | 371 | 383 | 703 | 479 | 478 | ... | 43.7 | 53.8 | 100.4 | 62.2 | 56.6 | ... |
| Cambodia | 3 | 19 | 15 | 12 | 15 | 7 | 1.1 | 12.3 | 10.0 | 8.0 | 9.8 | 5.1 |
| Ceylon | 12 | 17 | 15 | 16 | 16 | ... | 4.0 | 7.4 | 8.0 | 8.4 | 8.4 | ... |
| China: mainland | *1,580* | *930* | *930* | *930* | *930* | ... | *830.0* | *340.0* | *370.0* | *370.0* | *370.0* | ... |
| Taiwan | 5 | 7 | 5 | 5 | 6 | ... | 1.8 | 2.5 | 2.3 | 2.9 | 1.8 | ... |
| India | 2,182 | 2,412 | 2,513 | 2,480 | 2,668 | ... | 429.4 | 439.3 | 492.8 | 424.7 | 403.8 | *450.0* |
| Iran | 11 | 7 | 7 | 7 | 7 | ... | *8.9* | 6.1 | 6.1 | 6.1 | 6.1 | ... |
| Korea, Republic of | 5 | 8 | 9 | 10 | 11 | ... | *1.7* | 2.9 | 3.8 | 4.2 | 5.2 | ... |
| Pakistan | 78 | 79 | 85 | 79 | 44 | ... | 32.9 | 33.5 | 31.5 | 31.5 | 34.5 | ... |
| Thailand | 16 | 17 | 16 | 25 | 25 | ... | 8.1 | 16.0 | 13.0 | 18.0 | 18.0 | ... |
| Viet-Nam, Republic of | 1 | 2 | 1 | 1 | — | ... | 0.4 | 1.0 | 0.4 | 0.3 | 0.2 | ... |
| Japan | 7 | 7 | 7 | 6 | 6 | ... | 4.6 | 4.7 | 4.3 | 3.8 | 3.0 | ... |
| COPRA | | | | | | | | | | | | |
| Ceylon | ... | ... | ... | ... | ... | ... | 229.7 | 240.4 | 322.2 | 265.8 | 230.0 | ... |
| India | ... | ... | ... | ... | ... | ... | *201.8* | 259.0 | 264.0 | 266.0 | 270.0 | ... |
| Indonesia | ... | ... | ... | ... | ... | ... | *714.0* | 403.5 | 467.4 | 482.6 | 528.3 | ... |
| Malaysia: | | | | | | | | | | | | |
| East: | | | | | | | | | | | | |
| Sabah | ... | ... | ... | ... | ... | ... | 20.4 | 33.0 | 33.0 | 34.0 | 34.0 | ... |
| Sarawak | ... | ... | ... | ... | ... | ... | 3.2 | 11.2 | 9.9 | 7.1 | 12.5 | ... |
| West | ... | ... | ... | ... | ... | ... | 141.1 | 139.0 | 116.0 | 126.0 | 130.0 | ... |
| Philippines | ... | ... | ... | ... | ... | ... | *875.4* | 1,511.3 | 1,428.4 | 1,446.4 | 1,610.0 | 1,360.0 |
| Thailand | ... | ... | ... | ... | ... | ... | *15.0* | 20.8 | 21.0 | 21.0 | 21.0 | ... |
| Viet-Nam, Republic of | ... | ... | ... | ... | ... | ... | 15.5 | 25.5 | 24.5 | 25.3 | 22.3 | ... |
| Western Samoa | ... | ... | ... | ... | ... | ... | 15.5 | 15.4 | 15.5 | 12.6 | 14.2 | ... |
| TOBACCO | | | | | | | | | | | | |
| Burma | 48 | 49 | 53 | 51 | 47 | 55 | 46.7 | 47.8 | 43.3 | 43.7 | 33.2 | 41.3 |
| Cambodia | 8 | 12 | 18 | 17 | 17 | ... | 4.5 | 6.9 | 10.5 | 10.5 | 10.1 | 15.5 |
| Ceylon | 5 | 7 | (7) | (7) | 7 | ... | *3.1* | 4.1 | (4.1) | (4.1) | 4.1 | ... |
| China (Taiwan) | 6 | 9 | 9 | (8) | 8 | 10 | 7.8 | 17.4 | 19.4 | 16.3 | 15.1 | 20.4 |
| India | 333 | 405 | 441 | 394 | 372 | 398 | 247.1 | 341.0 | 360.0 | 346.0 | 298.0 | 350.0 |
| Indonesia | 148 | 261 | 140 | 148 | 153 | ... | 64.2 | 161.0 | 125.0 | 121.0 | 137.0 | ... |
| Iran | *16* | 23 | (24) | (30) | 26 | ... | *12.4* | 11.5 | 19.4 | 25.1 | 20.1 | 18.1 |
| Korea, Republic of | 15 | 21 | 30 | 34 | 36 | ... | 15.2 | 29.0 | 49.3 | 56.1 | 72.0 | 65.0 |
| Laos | 2 | 4 | (5) | 5 | 6 | ... | 0.8 | 3.0 | (3.0) | 2.7 | 3.0 | 3.0 |
| Nepal | ... | 2 | 8 | 7 | 8 | ... | ... | 2.5 | 9.3 | 5.2 | 5.3 | ... |
| Pakistan | 69 | 89 | 85 | 91 | 102 | 117 | 69.7 | 101.7 | 103.6 | (109.8) | 137.3 | 177.8 |
| Philippines | 36 | 97 | 96 | 76 | 86 | 89 | 21.4 | 67.7 | 65.0 | 45.7 | 58.1 | 50.0 |
| Thailand | 33 | 40 | 51 | 70 | 73 | ... | 27.2 | 46.6 | 62.8 | 76.0 | 80.0 | ... |
| Viet-Nam, Republic of | 4 | 8 | (10) | (9) | 7 | ... | 2.8 | 6.8 | (7.3) | (7.6) | 6.9 | 7.3 |
| Australia (dried leaf) | 2 | 12 | 12 | 11 | 10 | 9 | 2.2 | 13.6 | 17.3 | 12.6 | 13.7 | 13.1 |
| Japan | 52 | 73 | 82 | 86 | (87) | ... | 89.8 | 157.5 | 212.2 | 192.5 | 198.0 | 203.9 |
| New Zealand | 2 | 2 | 2 | 2 | 2 | ... | 2.2 | 4.1 | (4.3) | 4.5 | 2.8 | 3.4 |

## 10. AREA AND PRODUCTION OF SELECTED AGRICULTURAL COMMODITIES *(Cont'd)*

| | AREA *(1,000 hectares)* | | | | | | PRODUCTION *(1,000 tons)* | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1948–1952 | 1963 | 1964 | 1965 | 1966 | 1967 | 1948–1952 | 1963 | 1964 | 1965 | 1966 | 1967 |
| **TEA** | | | | | | | | | | | | |
| Ceylon . . . . Δ | 228 | 238 | 240 | 241 | 242 | ... | 140.3 | 219.8 | 218.5 | 228.2 | 222.3 | 224.1 |
| China: mainland . | 87 | 190 | 190 | 190 | 190 | ... | 66.8 | 158.8 | 158.8 | 158.8 | 158.8 | ... |
| Taiwan . M | 35 | 36 | 35 | 35 | 35 | 35 | 10.1 | 21.1 | 18.3 | 20.7 | 21.5 | 21.2 |
| India . . . . . Δ | 315 | 334 | 338 | 342 | 345 | ... | 273.1 | 346.4 | 372.1 | 366.4 | 376.5 | 378.7 |
| Indonesia . . . | | | | | | | | | | | | |
| (on estates) . . Δ | 78 | 78 | 75 | ... | ... | ... | 22.5 | 36.1 | 42.2 | *43.0* | *42.0* | ... |
| (on farms) . . Δ | 65 | *66* | 66 | *66* | *66* | ... | 26.1 | 40.0 | 44.8 | 46.0 | 44.0 | ... |
| Iran* . . . . . . | 10 | 23 | 23 | 25 | 25 | ... | 5.1 | 12.4 | 10.5 | 15.0 | 18.0 | 18.1 |
| Malaysia: West . . | 4 | 3 | 4 | 4 | 4 | ... | 1.5 | 2.7 | 3.1 | 3.3 | 3.5 | 3.6 |
| Pakistan . . . . Δ | 30 | 33 | 36 | 37 | 38 | ... | 22.4 | 25.0 | 28.6 | 27.1 | 29.3 | ... |
| Viet-Nam, Republic of Δ | 4 | *9* | 10 | 10 | 8 | ... | 4.6 | 4.7 | 5.4 | 5.9 | 5.2 | ... |
| North . . | 2 | 12 | 12 | 12 | 10 | ... | 1.0 | 3.7 | 4.0 | 3.6 | 3.0 | ... |
| Japan . . . . . Δ | 27 | 49 | 49 | 49 | 48 | ... | 40.3 | 81.1 | 83.3 | 77.4 | 83.1 | 83.5 |
| **COTTON (lint)** | | | | | | | | | | | | |
| Afghanistan . . . | *21* | 132 | 142 | 121 | 101 | 111 | 7 | 37 | 26 | 25 | 20 | 22 |
| Burma . . . . . . | 118 | 235 | 232 | 204 | 173 | ... | 19 | 18 | 23 | 15 | 15 | ... |
| Cambodia . . . . . | — | 4 | 6 | 6 | 4 | 3 | — | 1 | 2 | 2 | 1 | ... |
| China (mainland) . . | 4,035 | 4,168 | 4,452 | 4,654 | 4,553 | 4.654 | 786 | 1,019 | 1,193 | 1,258 | 1,301 | 1,409 |
| India . . . . . . | 5,659 | 8,221 | 8,271 | 7,942 | 7,834 | 7,892 | 485 | 977 | 1,019 | 857 | 888 | ... |
| Indonesia . . . . . | 5 | 15 | 15 | 15 | 15 | ... | 1 | 3 | 3 | 3 | 3 | ... |
| Iran . . . . . . | *133* | 374 | 384 | 384 | 393 | 360 | *26* | 115 | 121 | 140 | 113 | ... |
| Korea, Republic of . | 129 | 25 | 23 | 19 | 19 | 18 | 22 | 4 | 4 | 4 | 5 | 4 |
| Pakistan . . . . . | 1,245 | 1,486 | 1,481 | 1,576 | 1,635 | ... | 245 | 421 | 380 | 417 | 466 | ... |
| Thailand . . . . . | 34 | 70 | 66 | 72 | 90 | ... | 7 | 16 | 16 | 20 | 22 | ... |
| Australia . . . . . | 2 | 17 | 15 | 22 | 23 | 30 | — | 3 | 10 | 20 | 18 | 26 |
| **JUTE AND ALLIED FIBrES** | | | | | | | | | | | | |
| Burma . . . . . . | — | 19 | 17 | 25 | 21 | ... | — | 12 | 10 | 15 | 13 | ... |
| Cambodia . . . . . | ... | 2 | 2 | 2 | 2 | ... | — | 2 | 2 | 2 | 2 | ... |
| China: mainland[e] . | 103Δ | 160 | 180 | 200 | 210 | ... | 168 | 350 | 390 | 430 | 450 | ... |
| Taiwan . . | 13 | 7 | 7 | 8 | 7 | ... | 12 | *10* | 13 | 13 | 11 | 13 |
| India: Jute . . . | 581 | 869 | 839 | 757 | 798 | ... | 642 | 1,049 | 1,084 | 805 | 963 | ... |
| Mesta . . | 178 | 401 | 360 | 339 | 318 | ... | 86 | 342 | 285 | 231 | 218 | ... |
| Iran: Kenaf . . . | 4 | 5 | 4 | 6 | 6 | ... | 3 | 3 | 2 | 3 | 4 | ... |
| Nepal . . . . . . | 35 | 32 | 32 | 34 | 34 | ... | 40 | 36 | 39 | 39 | 38 | ... |
| Pakistan . . . . . | 715 | 688 | 672 | 846 | 876 | ... | 1,015 | 1,066 | 967 | 1,154 | 1,161 | ... |
| Thailand: Jute . . | 3 | 5 | 5 | 8 | 15 | ... | 2 | 7 | 7 | 9 | 20 | ... |
| Kenaf . | 8 | 152 | 215 | 273 | 290 | ... | 9 | 212 | 303 | 529 | 550 | ... |
| Viet-Nam: Republic of | | | | | | | | | | | | |
| Jute . . . . . . | 1 | 1 | 1 | 1 | 1 | ... | *1* | 1 | 1 | 1 | 1 | ... |
| Kenaf . . . . . | — | 4 | 1 | 3 | 1 | ... | — | 4 | 1 | 3 | 1 | ... |
| **HEMP FIBRE** | | | | | | | | | | | | |
| India (sunn hemp) . | 190 | 204 | 194 | 169 | 173 | ... | 70.0 | 76.0 | 70.7 | 56.6 | 55.6 | ... |
| Korea, Republic of . | 10 | 7 | 6 | 6 | 6 | ... | 8.4 | 5.2 | 4.9 | 5.6 | 5.8 | ... |
| Pakistan (sunn hemp) | 16[f] | 16 | 16 | 16 | 16 | ... | 10.9 | 10.0 | 10.0 | 10.0 | 10.0 | ... |
| Philippines (abaca)[g] . | 285 | 211 | 199 | 198 | 180 | ... | 104.7 | 112.2 | 117.5 | 107.8 | 94.6 | ... |
| Japan . . . . . . | 4 | 1 | 1 | 1 | 1 | ... | 2.5 | 0.6 | 0.8 | 0.7 | 0.7 | ... |
| WOOL | 1,000 quintals, greasy basis | | | | | | 1,000 quintals, clean basis | | | | | |
| China (mainland) . . | *446* | *770* | *770* | *770* | *790* | ... | *268* | *460* | *460* | *460* | *470* | ... |
| India . . . . . . | 256 | ... | ... | ... | ... | ... | 180 | ... | ... | ... | ... | ... |
| Pakistan . . . . . | 112 | 195 | 195 | (200) | (204) | . . | 73 | 117 | (117) | (120) | (133) | ... |
| Australia . . . . . | 5,151 | 8,095 | 8,092 | 7,542 | 7,980 | ... | 2,954 | 4,647 | 4,604 | 4,291 | 4,541 | ... |
| Japan . . . . . . | 13 | 14 | 9 | 8 | 5 | ... | 7 | 8 | 5 | 4 | 3 | ... |
| New Zealand . . . | 1,789 | 2,798 | 2,827 | (3,152) | 3,218 | ... | 1,244 | 2,015 | 2,035 | (2,301) | (2,349) | ... |

*Source:* Food and Agriculture Organization of the United Nations, except those in brackets which are from national sources.

*General Note:* (1) Area relates generally to area harvested except those with the symbol Δ which relate to planted area and M to Mature area or area of plucking.

(2) Averages for 1948-52 do not in all cases cover the precise periods indicated.

a. Production refers to total sugarcane cut.

b. Sugar cane crushed in factories.

c. Data relate to cane grown for centrifugal sugar only.

d. Dried in shell.

e. Jute and ambary.

f. Area is for fibre, green manure and fodder.

g. Area refers to crop year beginning in the year stated; production refers to calendar year and represents balings as reported by the Fibre Inspection Service, plus an allowance of 10% for unbaled fibre.

## 11. PRODUCTION OF MEAT

*Thousand tons*

| | 1948–1952 | 1963 | 1964 | 1965 | 1966 | 1967 |
|---|---|---|---|---|---|---|
| Burma[a] (commercial) | | | | | | |
| Beef and veal | 1 | 14 | 13 | 16 | 14 | 15 |
| Pork | 9 | 14 | 13 | 14 | 15 | 15 |
| Mutton and lamb | 3 | 3 | 3 | 4 | 4 | 4 |
| Cambodia (inspected) | | | | | | |
| Beef and veal | 4 | 17 | 7 | 8 | 9 | 10 |
| Pork | 12 | 21 | 19 | 19 | 21 | 22 |
| Ceylon (inspected) | | | | | | |
| Beef and veal | 16 | 15 | 16 | 15 | 17 | 17 |
| Mutton and lamb | 1 | 2 | 2 | 2 | 2 | 2 |
| China (Taiwan) (total) | | | | | | |
| Beef and veal | 2 | 9 | 9 | 5 | 5 | 6 |
| Pork | 91 | 189 | 202 | 218 | 245 | 255 |
| Mutton and lamb | 1 | 1 | 1 | 1 | 1 | 1 |
| Indonesia (inspected)[b] | | | | | | |
| Beef and veal | 170 | *135* | *139* | *140* | *142* | *142* |
| Pork | 20 | *35* | *33* | *34* | *35* | *35* |
| Mutton and lamb | 39 | *15* | *15* | *15* | *15* | *15* |
| Korea, Republic of | | | | | | |
| Beef and veal | 15 | 31 | 46 | 40 | 33 | *38* |
| Pork | 6 | 58 | 66 | 76 | 84 | *88* |
| Laos (total) | | | | | | |
| Beef and veal | *1* | *4* | *4* | *5* | *5* | *5* |
| Pork | *3* | *4* | *4* | *4* | *4* | *4* |
| Malaysia: West[c] | | | | | | |
| Beef and veal | 6 | 10 | 10 | 11 | 11 | 11 |
| Pork | 18 | 27 | 27 | 28 | 29 | 30 |
| Pakistan (commercial) | | | | | | |
| Beef and veal | 205 | 264 | 264 | 270 | 270 | *270* |
| Mutton and lamb | 65 | 87 | 87 | 90 | 91 | *90* |
| Philippines (commercial) | | | | | | |
| Beef and veal | 38 | 37 | 32 | 20 | 27 | *27* |
| Pork | 78 | 165 | 158 | 155 | 240 | *240* |
| Mutton and lamb | ... | 3 | 2 | 3 | 2 | *2* |
| Singapore | | | | | | |
| Pork | 12 | 16 | 15 | 16 | 18 | 18 |
| Viet-Nam, Republic of (commercial) | | | | | | |
| Beef and veal | 10 | 15 | 15 | ... | ... | ... |
| Pork | 23 | 56 | 70 | ... | ... | ... |
| Australia (total)[b] | | | | | | |
| Beef and veal | 628 | 1,003 | 1,028 | 948 | 884 | *800* |
| Pork | 89 | 113 | 122 | 135 | 141 | *140* |
| Mutton and lamb | 332 | 599 | 599 | 613 | 589 | *570* |
| Japan (commercial) | | | | | | |
| Beef and veal | 61 | 186 | 223 | 215 | 154 | 180 |
| Pork | 46 | 279 | 298 | 365 | 505 | 540 |
| Mutton and lamb | — | 2 | 2 | 2 | 2 | 2 |
| New Zealand (total)† | | | | | | |
| Beef and veal | 187 | 298 | 291 | 276 | 292 | 290 |
| Pork | 39 | 43 | 47 | 45 | 40 | 43 |
| Mutton and lamb | 324 | 463 | 489 | 476 | 470 | 470 |

*Source:* Food and Agriculture Organization of the United Nations, except those in brackets which are from national sources.

*General note:* (1) Insofar as could be ascertained, data in this table refer to production of beef and veal (including buffalo meat), pork (including bacon and ham), and mutton and lamb (including goat meat), in terms of carcass weight, excluding lard, tallow and of offals.

Except as otherwise specified, data refer to production from indigenous animals only, including, where applicable, the meat equivalent of exported live animals. Where information concerning the statistical coverage of the data shown is available, an appropriate notation is inserted under the name of the country. "Total" production refers to meat produced from both commercial and farm slaughter; "commercial", to total production excluding farm slaughter; and "inspected" to meat produced from animals slaughtered under governmental supervision. For some countries, no information concerning coverage is available but it is believed that, for most of those countries, the figures refer to inspected or commercial production only.

(2) Averages for 1948-52 do not in all cases cover the precise periods indicated.

a. The coverage is for 70 towns only, with a population of a little over 2 million out of an estimated population of 21 million.

b. Meat production from slaughtered animals only; for Australia, years beginning 1 July.

c. From known slaughter only.

## 12. PRODUCTION OF DAIRY PRODUCTS

*Thousand tons*

| | | 1948–1952 | 1963 | 1964 | 1965 | 1966 | 1967 |
|---|---|---|---|---|---|---|---|
| MILK | | | | | | | |
| Afghanistan | Cow | 238 | 305 | 336 | 367 | 367 | 368 |
| | Goat | 89 | 58 | 53 | 49 | 49 | 49 |
| | Sheep | 143 | 191 | 192 | 194 | 205 | 210 |
| Ceylon | Cow | 96 | 115 | 144 | 151 | 153 | 155 |
| | Buffalo | 34 | 35 | 40 | 51 | 53 | 55 |
| China (Taiwan) | Cow | 1 | 9 | 12 | 15 | 15 | 16 |
| Hong Kong[a] | Cow | 3 | 5 | 6 | 6 | 6 | 7 |
| India | Cow | 7,814 | 10,055 | 10,241 | 10,408 | 10,594 | 10,800 |
| | Goat | 485 | 656 | 669 | 683 | 696 | 710 |
| | Buffalo | 9,192 | 11,474 | 11,704 | 11,938 | 12,177 | 12,415 |
| Indonesia | Cow | 12 | 35 | 35 | 35 | 36 | 36 |
| Iran | Cow | 643 | 1,021 | 1,040 | 1,061 | 1,082 | 1,085 |
| | Goat | 259 | 413 | 422 | 432 | 437 | 442 |
| | Sheep | 216 | 408 | 429 | 455 | 490 | 500 |
| | Buffalo | 22 | 67 | 67 | 67 | 67 | 67 |
| Korea, Republic of | Cow | 42 | 100 | 109 | 109 | 106 | 103 |
| | Goat | ... | 3 | 3 | 2 | 2 | 1 |
| Malaysia: West | Cow | 10 | 20 | 20 | 21 | 21 | 21 |
| | Buffalo | 1 | 4 | 5 | 5 | 5 | 6 |
| Pakistan | Cow | 2,358 | 2,720 | 2,750 | 2,760 | 2,780 | 2,800 |
| | Goat | 157 | 185 | 180 | 174 | 170 | 165 |
| | Buffalo | 2,214 | 2,930 | 2,940 | 2,970 | 3,000 | 3,030 |
| Philippines | Cow | 2 | 10 | 11 | 13 | 14 | 15 |
| | Buffalo | 7 | 13 | 13 | 14 | 15 | 15 |
| Australiaϕ | Cow | 5,497 | 6,879 | 7,013 | 7,128 | 7,133 | 7,526 |
| Japan | Cow | 369 | 2,761 | 3,020 | 3,221 | 3,409 | 3,580 |
| New Zealandϕ | Cow | 4,720 | 5,459[b] | 5,684[b] | 6,011[b] | 6,135[b] | 6,251[b] |
| BUTTER | | | | | | | |
| India[d] | Total | 534 | 475 | 480 | 460 | 470 | 470 |
| Pakistan[c] | | 133 | 112 | 112 | 112 | 112 | 112 |
| Australiaϕ | Total | 158 | 206 | 207 | 206 | 209 | 222 |
| Japan | Factory | 3 | 22 | 23 | 24 | 25 | 26 |
| New Zealandϕ | Total | 177 | 221[b] | 235[b] | 249[b] | 259[b] | 260[b] |
| CHEESE[e] | | | | | | | |
| Iran | Total | 15 | 27 | 28 | 29 | 30 | 30 |
| Australiaϕ | Total | 44 | 60 | 59 | 63 | 60 | 70 |
| Japan | Factory | — | 12 | 13 | 16 | 27 | 27 |
| New Zealandϕ | Total | 101 | 100[b] | 97[b] | 108[b] | 107[b] | 112[b] |
| CONDENSED AND EVAPORATED MILK | | | | | | | |
| Australiaϕ | Whole | 50[f] | 63 | 76 | 87 | 74 | 70 |
| | Skim | 3 | 9 | 12 | 10 | 10 | 11 |
| Japan | Whole | 16 | 55 | 41 | 41 | 39 | 39 |
| | Skim | 3 | 29 | 28 | 26 | 23 | 23 |
| New Zealand[g] | | 21 | 15[b] | 16[b] | 14[b] | 16[b] | 16[b] |
| DRIED MILK | | | | | | | |
| Australiaϕ | Whole | 19 | 18 | 19 | 20 | 20 | 20 |
| | Skim | 8 | 43 | 42 | 49 | 51 | 51 |
| | Butter milk and whey | 3 | 9 | 10 | 9 | 12 | 12 |
| Japan | Whole | 9 | 52 | 61 | 76 | 74 | 74 |
| | Skim | 2 | 25 | 27 | 25 | 26 | 26 |
| New Zealandϕ | Skim | 22 | 52[b] | 64[b] | 82[b] | 87[b] | 140[b] |
| | Butter milk | 4 | 18[b] | 20[b] | 22[b] | 25[b] | 26[b] |

*Source:* Food and Agriculture Organization of the United Nations, except those in brackets which are from national sources.

*General note:* (1) Averages for 1948-52 do not in all cases cover the precise periods indicated.

(2) Milk production generally excludes milk sucked by young animals but includes milk fed to them.

a. Years ending March.

b. Years ending 31 of May.

c. Consists mainly of ghee: estimates on 1951 livestock census.

d. Including ghee.

e. Cheese from whole and partly skimmed milk of cows or buffaloes.

f. Including concentrated and evaporated full and skim milk.

g. Condensed milk and whole milk powder.

## 13. INDEX NUMBERS OF INDUSTRIAL PRODUCTION

*1958=100*[a]

| | Weight | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| **CEYLON** | | | | | | | | | | | | | |
| Industrial production | 100.0 | 133 | 140 | 156 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Mining and quarrying | 1.8 | 162 | 131 | 215 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Manufacturing | 94.6 | 132 | 137 | 148 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Food and beverages | 12.4 | 112 | 115 | 121 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Chemical & chemical products | 44.9 | 179 | 168 | 211 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Electricity and gas | 3.5 | 140 | 163 | 174 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **CHINA (Taiwan)** | | | | | | | | | | | | | |
| Industrial production[b] | 100.0 | 160 | 177 | 225 | 262 | 297 | 339 | 354 | 351 | 377 | 389 | 393 | 396 |
| Mining and quarrying | 8.1 | 142 | 149 | 161 | 172 | 180 | 173 | 200 | 184 | 190 | 182 | 192 | 184 |
| Manufacturing[b] | 82.1 | 165 | 181 | 236 | 272 | 307 | 363 | 375 | 376 | 402 | 418 | 420 | 430 |
| Food[b] | 17.4 | 121 | 126 | 162 | 176 | 168 | 259 | 204 | 263 | 238 | 282 | 219 | 248 |
| Textiles | 10.9 | 180 | 183 | 211 | 240 | 253 | 249 | 295 | 263 | 291 | 300 | 325 | 323 |
| Chemicals | 11.2 | 218 | 264 | 386 | 516 | 596 | 668 | 671 | 706 | 697 | 679 | 718 | 751 |
| Non-metallic mineral products | 11.7 | 179 | 198 | 221 | 234 | 277 | 280 | 301 | 312 | 314 | 314 | 359 | 357 |
| Public utilities | 8.8 | 158 | 167 | 197 | 214 | 242 | 261 | 264 | 263 | 275 | 281 | 283 | 281 |
| Electricity | 8.1 | 163 | 176 | 207 | 226 | 257 | 278 | 282 | 280 | 292 | 209 | 300 | 298 |
| **INDIA**[c] | | | | | | | | | | | | | |
| Industrial production | 100.0 | 142 | 156 | 165 | 175 | 178 | 180 | 178 | 172 | 180 | ... | ... | ... |
| Mining and quarrying | 7.5 | 139 | 152 | 146 | 159 | 164 | 156 | 162 | 164 | 178 | ... | ... | ... |
| Manufacturing | 88.9 | 141 | 154 | 164 | 172 | 176 | 177 | 175 | 164 | 178 | ... | ... | ... |
| Food | 14.0 | 118 | 114 | 124 | 134 | 138 | 131 | 115 | 116 | 98 | ... | ... | ... |
| Sugar | 4.5 | 141 | 117 | 132 | 162 | 169 | 227 | 193 | 258 | 14 | 2 | ... | ... |
| Tea | 7.4 | 106 | 106 | 115 | 113 | 116 | 210 | 130 | 17 | 108 | 214 | ... | ... |
| Textiles | 41.8 | 116 | 125 | 132 | 133 | 127 | 134 | 128 | 114 | 128 | 127 | ... | ... |
| Chemicals | 3.6 | 164 | 189 | 205 | 218 | 226 | 237 | 228 | 244 | 239 | ... | ... | ... |
| Basic metal industries | 9.3 | 241 | 277 | 275 | 283 | 299 | 289 | 301 | 293 | 304 | ... | ... | ... |
| Electricity | 3.7 | 175 | 202 | 233 | 256 | 279 | 290 | 282 | 285 | 313 | ... | ... | ... |
| **KOREA, Republic of**[d] | | | | | | | | | | | | | |
| Industrial production | 100.0 | 154 | 175 | 189 | 222 | 261 | 262 | 282 | 274 | 310 | 325 | 358 | 350 |
| Mining | 10.5 | 246 | 281 | 309 | 322 | 356 | 339 | 379 | 367 | 396 | 391 | 396 | 356 |
| Manufacturing | 83.3 | 142 | 161 | 172 | 207 | 245 | 248 | 265 | 256 | 293 | 309 | 343 | 338 |
| Food | 8.5 | 103 | 112 | 82 | 104 | 128 | 130 | 161 | 135 | 160 | 149 | 190 | 173 |
| Textiles | 19.3 | 106 | 110 | 128 | 158 | 176 | 179 | 194 | 212 | 221 | 224 | 252 | 237 |
| Electricity | 6.2 | 131 | 146 | 179 | 215 | 257 | 253 | 288 | 294 | 309 | 333 | 362 | 359 |
| **PAKISTAN**ϕ *(July 1959-June 1960=100)* | | | | | | | | | | | | | |
| Industrial production | 100.0 | 138 | 159 | 180 | 201 | 213 | 238 | 257 | ... | ... | ... | ... | ... |
| Mining | 6.1 | 124 | 145 | 161 | 175 | 176 | 177 | 185 | ... | ... | ... | ... | ... |
| Manufacturing | 93.9 | 139 | 160 | 181 | 202 | 214 | 241 | 260 | ... | ... | ... | ... | ... |
| **PHILIPPINES** | | | | | | | | | | | | | |
| Mining | ... | 112 | 113 | 115 | 124 | 136 | 134 | 142 | 144 | 151 | ... | ... | ... |
| Manufacturing | 100.0 | 126 | 134 | 145 | 149 | 162 | 163 | 167 | 167 | ... | ... | ... | ... |
| Non-durable | 82.7 | 124 | 131 | 140 | 145 | *158* | 157 | *165* | 163 | ... | ... | ... | ... |
| Food products | 15.0 | 142 | 148 | 152 | 166 | *173* | 170 | *174* | 177* | ... | ... | ... | ... |
| Beverages | 11.6 | 143 | 165 | 175 | 182 | *201* | 195 | *221* | 197 | ... | ... | ... | ... |
| Tobacco products | 15.8 | 98 | 104 | 126 | 139 | *161* | 157 | *159* | 158 | ... | ... | ... | ... |
| Textiles | 6.2 | 143 | 155 | 162 | 158 | *165* | 166 | *168* | 196 | ... | ... | ... | ... |
| Chemicals | 15.4 | 116 | 125 | 129 | 140 | *146* | 141 | *151* | 155 | ... | ... | ... | ... |
| Misc. products of petroleum and coal | 9.3 | 103 | 102 | 107 | 95 | *132* | 139 | *145* | 126 | ... | ... | ... | ... |
| Durable | 17.3 | 136 | 149 | 170 | 171 | *181* | 180 | *176* | 183 | ... | ... | ... | ... |
| **VIET-NAM, Republic of** *(1962=100)* | | | | | | | | | | | | | |
| Industrial production | 100.0 | 100 | 117 | 132 | 158 | 171 | 163 | 165 | 181 | 202 | ... | ... | ... |
| Mining | 1.3 | 100 | 147 | 102 | — | — | — | — | — | — | ... | ... | ... |
| Manufacturing | 93.5 | 100 | 116 | 133 | 160 | 173 | 164 | 166 | 183 | 204 | ... | ... | ... |
| Food | 14.5 | 100 | 98 | 93 | 106 | 115 | 108 | 116 | 112 | 141 | ... | ... | ... |
| Beverages | 45.1 | 100 | 120 | 148 | 182 | 189 | 173 | 154 | 212 | 233 | ... | ... | ... |
| Electricity | 5.2 | 100 | 112 | 129 | 168 | 174 | 179 | 184 | 177 | 202 | ... | ... | ... |
| **AUSTRALIA**ϕ[e] *(July 1958-June 1959=100)* | | | | | | | | | | | | | |
| Manufacturing | 92.0 | 110 | 121 | 129 | 138 | 144 | 143 | *154* | ... | ... | ... | ... | ... |
| Durable goods | 49.0 | 110 | 122 | 131 | 141 | 145 | 144 | *151* | ... | ... | ... | ... | ... |
| Non-durable goods | 43.0 | 110 | 120 | 127 | 135 | 149 | 141 | *157* | ... | ... | ... | ... | ... |
| **JAPAN** | | | | | | | | | | | | | |
| Industrial production | 100.0 | 193 | 212 | 248 | 260 | 291 | 292 | 312 | 331 | 339 | 348 | 361 | ... |
| Mining and manufacturing | 95.4 | 194 | 213 | 250 | 261 | 292 | 294 | 314 | 334 | 343 | 351 | 365 | ... |
| Mining | 3.7 | 118 | 116 | 117 | 115 | 121 | 119 | 123 | 121 | 118 | 115 | 116 | ... |
| Manufacturing | 91.8 | 198 | 219 | 257 | 270 | 302 | 304 | 325 | 346 | 354 | 364 | 379 | ... |
| Food | 8.5 | 130 | 135 | 142 | 149 | 153 | 123 | 130 | 226 | 136 | 124 | 110 | ... |
| Textiles | 11.4 | 156 | 169 | 189 | 203 | 224 | 229 | 236 | 232 | 247 | 253 | 261 | ... |
| Chemicals | 8.4 | 174 | 204 | 239 | 278 | 316 | 312 | 337 | 341 | 361 | 376 | 396 | ... |
| Ferrous metals | 11.4 | 219 | 246 | 302 | 311 | 358 | 368 | 406 | 426 | 454 | 470 | 488 | ... |
| Machinery | 30.5 | 257 | 278 | 340 | 352 | 402 | 411 | 442 | 466 | 500 | 515 | 539 | ... |
| Public utilities | 4.6 | 167 | 186 | 209 | 224 | 246 | 251 | 260 | 270 | 264 | 289 | 281 | ... |
| **NEW ZEALAND**[f] *(1958/59=100)* | | | | | | | | | | | | | |
| Industrial production | 100.0 | 116 | 123 | 133 | 147 | 159 | ... | ... | ... | ... | ... | ... | ... |
| Mining and quarrying | 3.1 | 108 | 104 | 110 | 114 | 125 | ... | ... | ... | ... | ... | ... | ... |
| Manufacturing | 66.7 | 119 | 125 | 138 | 156 | 166 | ... | ... | ... | ... | ... | ... | ... |
| Electricity and gas | 4.9 | 129 | 143 | 157 | 172 | 190 | ... | ... | ... | ... | ... | ... | ... |
| Building and construction | 25.3 | 119 | 116 | 116 | 122 | 138 | ... | ... | ... | ... | ... | ... | ... |

---

a. Original base: Ceylon, 1952-1956; China (Taiwan) 1961; India, 1956; Republic of Korea, 1965; Philippines, 1955; Republic of Viet-Nam, 1962; Australia, 1953/54; Japan, 1960; New Zealand, 1956/57.

b. Sugar production is excluded from the monthly and quarterly index but included in the annual index. Weights relate to annual index.

c. Quarterly figures relate to the mid-month of each quarter.

d. Figures for 1961 to 1964 are the 1960 base indexes linked to the 1965 base indexes. Weights relate to the 1965 base indexes.

e. Unofficial index prepared by the Australia and New Zealand Bank Ltd.

f. Year ending 31 March of the year stated except in the case of the important semi-primary industries, the years correspond with the production seasons ending in June or September.

## 14. PRODUCTION OF SELECTED COMMODITIES

*Monthly averages or calendar months* *Thousand tons*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| TEA | | | | | | | | | | | | | |
| Ceylon | 17.2 | 17.7 | 18.3 | 18.2 | 19.0 | 18.6 | 14.8 | 17.8 | 17.5 | 21.7 | 15.7 | 16.2 | 20.3 |
| China (Taiwan) | 1.2 | 1.3 | 1.7 | 1.7 | 2.1 | 2.0 | 2.6 | 1.6 | 1.9 | 1.7 | 2.3 | 3.5 | 1.7 |
| India | 29.5 | 28.9 | 28.9 | 31.1 | 30.4 | 30.4 | 54.4 | 32.6 | 5.5 | 32.3 | *53.1* | ... | ... |
| Indonesia | 3.5 | 3.8 | 3.2 | 3.7 | 3.9 | ... | ... | ... | ... | ... | ... | ... | ... |
| Pakistan | 2.3 | 2.0 | 2.0 | 2.4 | *2.1* | 2.5 | 4.2 | 2.9 | 0.3 | 2.7 | 4.4 | 4.0 | 3.5 |
| Japan | 6.8 | 6.5 | 6.8 | 6.9 | 6.5 | 6.9 | ... | ... | ... | ... | ... | ... | ... |
| NATURAL RUBBER[a] | | | | | | | | | | | | | |
| Cambodia | 3.3 | 3.5 | 3.4 | 3.8 | 4.1 | 4.3 | 4.9 | 5.9 | 3.1 | 3.9 | 5.1 | 5.0 | 6.2 |
| Ceylon | 8.1 | 8.7 | 8.7 | 9.3 | 9.9 | 10.9 | 10.7 | 12.8 | 13.3 | 11.0 | 11.2 | 12.5 | 9.4 |
| India | 2.2 | 2.6 | 3.1 | 3.7 | 4.1 | 4.4 | 3.8 | 6.3 | 3.7 | 4.9 | 5.3 | 6.0 | 7.2 |
| Indonesia | 56.8 | 55.8 | 48.5 | 54.1 | 59.7 | 59.6 | *58.9* | *58.9* | *67.3* | *67.3* | *67.3* | ... | ... |
| Malaysia and Singapore | 68.2 | 69.1 | 72.2 | 75.5 | 79.1 | 84.6 | 90.8 | 91.6 | 79.9 | 73.5 | 90.9 | 87.8 | ... |
| Thailand | 15.5 | 16.3 | 15.8 | 18.5 | 18.0 | 17.3 | 17.3 | 17.5 | 21.8 | 15.3 | *13.7* | ... | ... |
| Viet-Nam, Republic of | 6.6 | 6.3 | 6.0 | 6.2 | 5.1 | 4.1 | 4.6 | 6.2 | 2.7 | 3.3 | 3.4 | 4.0 | ... |
| COAL | | | | | | | | | | | | | |
| Afghanistan* | 5.5 | 9.3 | 8.3 | 9.4 | *12.2* | ... | ... | ... | ... | ... | ... | ... | ... |
| China (Taiwan) | 360 | 379 | 401 | 419 | 421 | 418 | 409 | 445 | 403 | 428 | 412 | 427 | 416 |
| India[b] | 4,672 | 5,114 | 5,496 | 5,203 | 5,597 | 5,664 | 5,709 | 5,980 | 6,142 | 6,200 | 5,863 | ... | ... |
| Indonesia | 46 | 39 | 49 | 37 | 23 | 27 | ... | ... | ... | ... | ... | ... | ... |
| Iran* | 17 | 13 | 16 | 33 | 27 | ... | ... | ... | ... | ... | ... | ... | ... |
| Korea, Republic of | 490 | 620 | 738 | 802 | 854 | 968 | 924 | 1,045 | 1,045 | 1,084 | 1,032 | 1,039 | 931 |
| Mongolia | 63 | 58 | 67 | 70 | 82 | ... | ... | ... | ... | ... | ... | ... | ... |
| Pakistan[b] | 77 | 83 | 104 | 101 | 103 | 100 | 91 | *85* | ... | ... | ... | ... | ... |
| Philippines | 13 | 14 | 13 | 10 | 8 | 8 | 9 | 9 | 6 | *6* | ... | ... | ... |
| Viet-Nam, Republic of | 4.8 | 5.9 | 8.7 | 6.4 | — | — | ... | ... | ... | ... | ... | ... | ... |
| Australia | 2,033 | 2,072 | 2,105 | 2,320 | 2,665 | 2,826 | 3,126 | 2,907 | 2,466 | 3,103 | 3,113 | 3,210 | 3,442 |
| Japan | 4,540 | 4,533 | 4,338 | 4,244 | 4,128 | 4,279 | 4,123 | 4,286 | 4,209 | 3,929 | 3,748 | 3,747 | 4,001 |
| New Zealand[b] | 248 | 216 | 232 | 243 | 225 | 213 | 264 | 221 | 172 | 210 | 231 | 202 | 221 |
| NATURAL GAS *(million cubic metres)* | | | | | | | | | | | | | |
| Brunei | 17.5 | 17.4 | 16.5 | 14.4 | 17.6 | ... | ... | ... | ... | ... | ... | ... | ... |
| China (Taiwan) | 3.09 | 3.20 | 4.22 | 14.12 | 25.81 | 36.60 | 35.83 | 40.90 | 44.10 | 43.57 | 43.13 | 44.4 | 42.8 |
| Indonesia[c] | 214.0 | 226.0 | 233.0 | 228.0 | 204.0 | 133.0 | ... | ... | ... | ... | ... | ... | ... |
| Iran | 81.9 | 87.7 | 94.9 | 99.3 | 102.5 | 121.0 | 118.6 | 123.1 | 126.0 | 108.3 | ... | ... | ... |
| Pakistan | 64.1 | 79.1 | 99.0 | 119.0 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Japan[d] | 74.0 | 97.0 | 140.0 | 152.0 | 148.0 | 152.0 | 144.0 | 154.0 | 161.0 | 153.0 | 146.0 | 159.0 | ... |
| PETROLEUM, CRUDE[e] | | | | | | | | | | | | | |
| Brunei | 344 | 316 | 286 | 295 | 328 | ... | ... | ... | ... | ... | ... | ... | ... |
| Burma | 47 | 49 | 53 | 46 | 45 | 47 | 42 | 50 | 45 | 49 | 51 | ... | ... |
| China (Taiwan) | 0.20 | 0.17 | 0.21 | 0.72 | 1.54 | 2.66 | 2.58 | 3.26 | 2.94 | 2.58 | 2.63 | 2.84 | 3.47 |
| India | 43 | 90 | 138 | 184 | 252 | 387 | 399 | 424 | 434 | 472 | 455 | 493 | 489 |
| Indonesia | 1,774 | 1,899 | 1,856 | 1,902 | 1,980 | 1,866 | *1,892* | *1,924* | *2,041* | *2,133* | *2,147* | ... | ... |
| Iran[r] | 4,942 | 5,484 | 6,130 | 7,051 | 7,844 | 8,787 | 8,662 | 9,357 | 10,669 | 9,973 | 11,212 | 11,790 | 11,170 |
| Mongolia | 2.18 | 1.92 | 1.58 | 1.50 | 1.33 | ... | ... | ... | ... | ... | ... | ... | ... |
| Malaysia: Sarawak | 5 | 5 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | ... | ... |
| Pakistan | 32 | 37 | 39 | 42 | 44 | 42 | 40 | 40 | 39 | 40 | ... | ... | ... |
| Australia | — | — | — | 15.8 | 27.8 | 35.9 | 36.7 | 32.8 | 33.3 | 69.3 | 92.4 | ... | ... |
| Japan | 55 | 63 | 65 | 55 | 56 | 65 | 65 | 67 | 65 | 66 | 65 | 66 | 64 |
| IRON ORE[f] | | | | | | | | | | | | | |
| Hong Kong | 10 | 9 | 10 | 10 | 11 | 11 | 11 | 11 | 12 | 12 | 12 | ... | ... |
| India | 1,559 | 1,637 | 1,717 | 1,780 | 1,949 | 2,244 | 2,086 | 2,153 | 2,231 | 2,222 | 1,920 | ... | ... |
| Korea, Republic of | 42 | 39 | 42 | 57 | 61 | 66 | 59 | 70 | 54 | 57 | 60 | 62 | 66 |
| Malaysia, West | 570 | 551 | 615 | 547 | 582 | 488 | 585 | 372 | 338 | 540 | 555 | 554 | ... |
| Pakistan | 0.3 | — | — | 0.4 | *0.7* | ... | ... | ... | ... | ... | ... | ... | ... |
| Philippines | 98 | 116 | 115 | 114 | 120 | 122 | 121 | 120 | 130 | 132 | ... | ... | ... |
| Thailand | 4.7 | 3.7 | 1.3 | 15.7 | 62.5 | 57.6 | 72.7 | 13.3 | 27.8 | 84.5 | 55.1 | ... | ... |
| Australia | 452 | 410 | 467 | 480 | 567 | 981 | 1,221 | 1,331 | 1,266 | 1,661 | 1,666 | ... | ... |
| Japan[g] | 239 | 216 | 202 | 213 | 210 | 200 | 209 | 206 | 175 | 190 | 191 | 177 | 190 |
| TIN-IN-CONCENTRATES | | | | | | | | | | | | | |
| Burma | 0.080 | 0.088 | 0.077 | 0.048 | *0.039* | *0.031* | *0.050* | *0.022* | *0.016* | *0.020* | *0.025* | ... | ... |
| Indonesia | 1.573 | 1.466 | 1.096 | 1.384 | 1.245 | 1.061 | 1.166 | 1.277 | 0.932 | 1.049 | 1.223 | 1.195 | 1.400 |
| Laos | 0.028 | 0.031 | *0.034* | *0.042* | *0.041* | *0.041* | *0.041* | *0.041* | *0.041* | *0.041* | *0.041* | ... | ... |
| Malaysia | 4.744 | 4.962 | 5.076 | 5.080 | 5.390 | 5.832 | 5.925 | 5.979 | 6.107 | 6.055 | 6.147 | 6.256 | 5.855 |
| Thailand | 1.124 | 1.243 | 1.320 | 1.321 | 1.613 | 1.911 | 1.985 | 2.029 | 1.773 | 1.805 | 1.947 | ... | ... |
| Australia | 0.232 | 0.230 | 0.242 | 0.308 | 0.326 | 0.380 | 0.394 | 0.391 | 0.357 | 0.523 | 0.448 | 0.446 | 0.471 |
| Japan | 0.072 | 0.073 | 0.073 | 0.066 | 0.070 | 0.082 | 0.090 | 0.092 | 0.096 | 0.100 | 0.102 | 0.102 | 0.096 |
| SALT | | | | | | | | | | | | | |
| Afghanistan* | 1.8 | 2.7 | 2.6 | 2.6 | 3.2 | ... | ... | ... | ... | ... | ... | ... | ... |
| Burma | 12.1 | 12.9 | 13.4 | 10.6 | 10.9 | 9.1 | 9.3 | 4.5 | 15.0 | 20.3 | 6.5 | ... | ... |
| Ceylon | 2.9 | 3.1 | 1.8 | 3.8 | 1.6 | 5.4 | 17.5 | 1.5 | — | 3.3 | 19.3 | 8.0 | ... |
| China: mainland | 916.7 | 833.3 | 875.0 | 833.3 | 1,083.3 | ... | ... | ... | ... | ... | ... | ... | ... |
| Taiwan | 36.2 | 49.6 | 52.2 | 50.2 | 46.7 | 34.2 | 9.2 | 52.8 | 60.7 | 45.6 | 10.7 | 55.0 | 46.0 |
| India | 288.8 | 324.4 | 378.2 | 387.2 | 392.9 | 376.8 | 128.6 | 106.8 | 344.1 | 937.3 | *162.0* | ... | ... |
| Indonesia | 37.1 | 21.3 | 37.4 | 25.3 | *21.0* | ... | ... | ... | ... | ... | ... | ... | ... |
| Iran* | 12.1 | 20.5 | 28.8 | 28.8 | 28.8 | ... | ... | ... | ... | ... | ... | ... | ... |
| Korea, Republic of | 10.1 | 32.3 | 19.2 | 32.1 | 55.7 | 32.8 | 19.0 | 4.7 | — | 110.9 | 50.7 | 127.3 | — |
| Pakistan | 32.4 | 37.4 | 37.8 | 30.8 | 40.7 | 39.2 | 25.2 | 43.8 | 59.5 | 71.9 | ... | ... | ... |
| Philippines | 7.8 | 8.0 | 5.8 | 3.9 | 18.7 | ... | ... | ... | ... | ... | ... | ... | ... |
| Thailand | 16.2 | 21.5 | 22.1 | 15.8 | 15.7 | ... | ... | ... | ... | ... | ... | ... | ... |
| Viet-Nam, Republic of | 8.3 | 16.0 | 16.3 | 15.8 | 10.2 | ... | ... | ... | ... | ... | ... | ... | ... |
| Australia[φ] | 41.8 | 45.4 | 49.3 | 45.8 | 55.1 | ... | ... | ... | ... | ... | ... | ... | ... |
| Japan[h] | 68.9 | 71.3 | 65.4 | 74.0 | 70.6 | 70.8 | 80.2 | 72.2 | 71.1 | 70.1 | 94.8 | 97.2 | 86.5 |
| New Zealand | 0.4 | 0.8 | 0.9 | 1.8 | 2.9 | ... | ... | ... | ... | ... | ... | ... | ... |

## 14. PRODUCTION OF SELECTED COMMODITIES *(Cont'd)*

*Monthly averages or calendar months*

*Thousand tons*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| SUGAR | | | | | | | | | | | | | |
| Afghanistan | 0.42 | 0.67 | 0.71 | 0.75 | 0.79 | *0.83* | ... | ... | ... | ... | ... | ... | ... |
| Burma | 3.56 | 4.87 | 5.19 | 5.62 | 5.92 | 5.75 | ... | ... | ... | ... | ... | ... | ... |
| China: mainland | 100.0 | 108.0 | 108.0 | *153.3* | *185.8* | *200.0* | ... | ... | ... | ... | ... | ... | ... |
| Taiwan | 72.9 | 59.0 | 61.9 | 77.1 | 83.4 | 80.1 | — | 61.2 | 183.4 | 8.9 | — | — | 52.0 |
| India | 236.9 | 232.2 | 192.8 | 218.9 | 268.9 | 280.4 | 11.6 | 229.1 | 440.7 | 45.7 | *2.9* | ... | ... |
| Indonesia | 52.2 | 49.3 | 54.4 | 54.2 | 61.7 | *61.0* | — | ... | ... | ... | ... | ... | ... |
| Iran* | 11.1 | 12.9 | 13.7 | 15.4 | 19.5 | 29.6 | ... | ... | ... | ... | ... | ... | ... |
| Korea, Republic of | 5.4 | 4.5 | 3.3 | 1.4 | 3.8 | 5.9 | 6.8 | 6.7 | 7.5 | 10.6 | 8.4 | 11.0 | 8.8 |
| Pakistan | 10.4 | 15.6 | 23.3 | 19.9 | 23.5 | 39.5 | 3.2 | 37.7 | 73.9 | 26.2 | — | 1.3 | 27.6 |
| Philippines | 127.5 | 125.9 | 125.1 | 143.7 | 129.8 | 120.2 | 19.3 | 151.2 | ... | ... | ... | ... | ... |
| Thailand | 12.5 | 12.6 | 10.4 | 14.0 | 26.7 | 22.4 | ... | ... | ... | ... | ... | ... | ... |
| Viet-Nam, Republic of | 4.8 | 5.4 | 5.1 | 4.7 | 5.3 | 6.3 | 6.1 | 6.3 | 6.3 | 8.7 | 6.7 | 7.3 | ... |
| Australia | 114.3 | 152.6 | 142.2 | 166.8 | 172.8 | 203.9 | ... | ... | ... | ... | ... | ... | ... |
| Japan | 16.7 | 23.7 | 31.3 | 31.6 | 47.4 | 45.7 | ... | ... | ... | ... | ... | ... | ... |
| New Zealand | 9.5 | 9.8 | 9.8 | 9.1 | 10.1 | 10.6 | 10.1 | 11.4 | 10.9 | 10.7 | 10.2 | 12.3 | 11.2 |
| COTTON YARN | | | | | | | | | | | | | |
| Burma | 0.32 | 0.40 | 0.42 | 0.42 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| China (Taiwan) | 4.1 | 4.4 | 4.0 | 4.2 | 4.6 | 4.9 | 5.0 | 5.5 | 5.7 | 5.9 | 5.7 | 6.0 | 6.3 |
| Hong Kong | 8.1 | 8.9 | 9.1 | 9.9 | 10.9 | 11.0 | 11.3 | 11.6 | 10.7 | 11.4 | 11.4 | ... | ... |
| India | 71.9 | 71.6 | 74.4 | 80.4 | 78.3 | 75.1 | 80.5 | 75.6 | 69.4 | 74.3 | *79.0* | 78.3 | 74.5 |
| Korea, Republic of | 3.7 | 4.4 | 5.2 | 5.4 | 5.5 | 5.8 | 5.7 | 6.5 | 5.4 | 6.7 | 6.5 | 7.1 | 7.2 |
| Pakistan | 15.6 | 16.3 | 17.8 | 19.2 | 13.1 | 19.7 | 19.5 | 21.5 | 20.4 | 20.6 | 21.1 | 22.2 | 21.3 |
| Philippines | 1.06 | 1.10 | 0.74 | 1.18 | 0.63 | 1.61 | 1.80 | 1.48 | 2.20 | 1.75 | 1.60 | 2.85 | 2.87 |
| Australiaφ | 1.62 | 1.64 | 1.74 | 2.09 | 2.24 | 2.23 | 2.51 | 2.23 | 1.92 | 2.59 | 2.53 | 2.55 | 2.44 |
| Japan | 46.6 | 40.9 | 40.0 | 41.9 | 45.8 | 42.1 | 41.3 | 42.6 | 41.3 | 43.4 | 43.2 | 44.0 | 46.3 |
| COTTON FABRICS *(Mn metres)* | | | | | | | | | | | | | |
| Afghanistan* | 1.9 | 3.1 | 3.0 | 3.9 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Ceylon *(Mn sq. metres)* | 0.5 | 0.4 | 0.3 | 0.6 | 0.4 | 0.6 | ... | ... | ... | ... | ... | ... | ... |
| China (Taiwan) | 16.7 | 16.6 | 18.4 | 20.1 | 19.2 | 20.5 | 20.7 | 26.5 | 25.2 | 28.7 | 29.7 | 30.4 | 29.8 |
| Hong Kong *(Mn sq. metres)* | 33.8 | 35.5 | 39.6 | 40.4 | 45.3 | 46.9 | ... | ... | ... | ... | ... | ... | ... |
| India[l] | 392 | 380 | 369 | 388 | 383 | 353 | 375 | 348 | 314 | 339 | 359 | 369 | 341 |
| Indonesia | 5.3 | 5.0 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Korea, Republic of *(Mn sq. metres)* | 14.0 | 16.1 | 20.7 | 21.7 | 22.5 | 23.6 | 23.0 | 26.1 | 21.3 | 26.9 | 26.1 | 23.6 | 27.8 |
| Pakistan[l] | 53.3 | 55.3 | 55.7 | 57.8 | 54.8 | 53.4 | 52.1 | 55.3 | 52.8 | 51.2 | 55.1 | 60.0 | 60.5 |
| Philippines | 10.6 | 11.7 | 10.4 | 13.2 | 12.4 | 11.6 | 12.5 | 11.3 | 12.2 | 14.4 | 14.8 | 15.8 | 13.6 |
| Thailand *(Mn sq. metres)* | 6.03 | 7.63 | 9.76 | 12.9 | 19.7 | 21.7 | ... | ... | ... | ... | ... | ... | ... |
| Australiaφ *(Mn sq. metres)* | 3.67 | 3.82 | 3.90 | 4.43 | 4.78 | 4.74 | 5.36 | 4.71 | 3.98 | 5.35 | 5.49 | 5.37 | 5.31 |
| Japan *(Mn sq. metres)* | 282 | 257 | 245 | 247 | 251 | 243 | 238 | 247 | 239 | 240 | 229 | 231 | 237 |
| JUTE MANUFACTURES | | | | | | | | | | | | | |
| Burma (Gunny bags, *Mn pieces*) | 0.69 | 1.27 | 2.05 | 2.24 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| China (Taiwan) (Gunny bags, *Mn pieces*) | 1.22 | 1.37 | 1.25 | 1.03 | 1.12 | 1.17 | 0.62 | 1.52 | 1.16 | 1.22 | 1.09 | 1.31 | 1.41 |
| India | 80.9 | 96.9 | 103.0 | 106.0 | 111.2 | 93.3 | 87.6 | 97.0 | 99.0 | 100.4 | 93.8 | ... | ... |
| Pakistan | 21.2 | 24.2 | 26.7 | 23.7 | 31.6 | 36.3 | 38.2 | 36.0 | 31.2 | 31.4 | 40.2 | 42.3 | 39.4 |
| Thailand (Gunny bags, *Mn pieces*) | 0.74 | 0.92 | 1.93 | 2.79 | 3.32 | 3.55 | 3.55 | 3.89 | 4.49 | 4.34 | 4.63 | 4.96 | ... |
| PAPER[j] | | | | | | | | | | | | | |
| China (Taiwan) | 8.2 | 9.2 | 8.8 | 10.5 | 11.3 | 12.0 | 12.2 | 12.9 | 11.6 | 11.8 | 11.3 | 13.0 | 11.6 |
| India | 19.1 | 19.5 | 24.9 | 26.6 | 27.8 | 31.8 | 32.8 | 32.5 | 30.1 | 31.2 | *31.3* | ... | ... |
| Korea, Republic of | 2.7 | 3.1 | 3.5 | 3.6 | 3.8 | 4.6 | 4.6 | 4.9 | 4.8 | 4.9 | 5.0 | 5.1 | 4.5 |
| Pakistan | 4.8 | 5.0 | 4.6 | 5.3 | 6.1 | 5.1 | 5.4 | 4.6 | 4.8 | 5.7 | 5.9 | 5.9 | 5.2 |
| Thailand | 0.30 | 0.48 | 0.66 | 1.13 | 1.11 | 1.02 | 0.83 | 1.21 | 1.12 | 1.14 | 1.29 | 1.39 | ... |
| Australia | 7.4 | 7.5 | 7.8 | 7.8 | 7.9 | 8.0 | 8.3 | 7.9 | 8.3 | 8.4 | 8.2 | 8.5 | 7.9 |
| Japan | 247.3 | 250.4 | 274.1 | 308.6 | 309.4 | 338.1 | 342.9 | 356.6 | 347.3 | 369.5 | 378.6 | 395.7 | 390.7 |
| New Zealand‡ | 7.7 | 9.6 | 14.2 | 15.8 | 16.5 | *15.6* | 16.8 | 13.8 | 15.5 | 15.4 | 17.5 | ... | ... |
| VEGETABLE OILS | | | | | | | | | | | | | |
| China (Taiwan): Edible oil | 2.7 | 2.4 | 2.1 | 2.3 | 2.2 | 1.8 | 1.9 | 1.7 | 1.9 | 2.3 | 2.7 | 2.6 | 2.6 |
| India: Edible oil (Vanaspati) | 28.3 | 30.8 | 32.0 | 29.9 | 35.5 | 29.9 | 26.7 | 31.9 | 33.7 | 32.4 | *30.0* | ... | ... |
| Indonesia: Palm oil | 12.1 | 11.8 | 12.4 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Malaysia, West: Coconut oil | 7.4 | 7.8 | 6.0 | 5.3 | 5.4 | 6.1 | 6.5 | 5.4 | 5.0 | 6.3 | 7.4 | 7.6 | 6.9 |
| Palm oil | 7.9 | 9.0 | 10.5 | 10.2 | 12.4 | 15.1 | 15.8 | 16.9 | 15.3 | 15.3 | 20.0 | 22.1 | 21.7 |
| Pakistan: Vegetable oil | 3.8 | 5.3 | 6.6 | 7.7 | 8.5 | 8.1 | 7.0 | 7.4 | 7.5 | 7.2 | 6.9 | 7.5 | 7.6 |
| Philippines: Coconut oil | 15.8 | 18.3 | *18.7* | *32.3* | 32.0 | 37.9 | ... | ... | ... | ... | ... | ... | ... |
| Singapore: Coconut oil | 2.4 | 2.0 | 1.8 | 1.7 | 1.8 | 2.5 | 2.8 | 3.0 | 2.5 | 2.4 | 2.4 | 2.5 | 2.0 |
| Japan: Coconut oil | 4.6 | 4.2 | 5.3 | 4.9 | 4.8 | 5.5 | 4.8 | 6.0 | 5.9 | 6.4 | 7.2 | 5.4 | 7.0 |
| Others | 22.1 | 19.2 | 17.0 | 19.8 | 21.6 | 27.4 | 26.9 | 27.5 | 29.8 | 25.6 | 31.7 | 34.3 | 35.0 |
| SUPERPHOSPHATES | | | | | | | | | | | | | |
| China (Taiwan) | 10.8 | 12.0 | 14.4 | 15.4 | 16.3 | 17.7 | 19.2 | 20.9 | 11.0 | 15.8 | 17.0 | 24.9 | 20.8 |
| India[k] | 5.2 | 6.2 | 8.1 | 9.8 | 9.6 | 9.9 | 12.2 | 8.7 | 8.7 | 11.4 | ... | ... | ... |
| Pakistan | 0.68 | 0.66 | 0.56 | 0.61 | 0.75 | 0.49 | 0.35 | 0.50 | 0.32 | 0.40 | 0.43 | 0.51 | 0.51 |
| Australiaø | 219.5 | 242.8 | 283.4 | 313.9 | 354.6 | 368.8 | 336.3 | 362.3 | 425.7 | 440.7 | 330.0 | 366.8 | 355.6 |
| Japan | 156.6 | 150.8 | 138.5 | 138.4 | 129.2 | 107.6 | 87.0 | 106.9 | 116.0 | 87.0 | 83.5 | 101.7 | 98.9 |
| New Zealand | 88.9 | 84.7 | 101.9 | 123.2 | 134.2 | 136.4 | ... | ... | ... | ... | ... | ... | ... |
| AMMONIUM SULPHATE | | | | | | | | | | | | | |
| China (Taiwan) | 2.4 | 5.9 | 9.3 | 18.6 | 23.3 | 23.1 | 26.5 | 22.5 | 26.4 | 22.9 | 26.3 | 26.7 | 31.5 |
| India[m] | 6.6 | 7.0 | 7.4 | 7.1 | 7.3 | 7.2 | 8.0 | 7.8 | 7.9 | 6.4 | ... | ... | ... |
| Pakistan | 4.3 | 4.4 | 4.2 | 3.4 | 3.2 | 3.5 | 3.1 | 3.8 | 3.4 | 3.7 | 3.7 | 4.3 | 3.9 |
| Australiaø | 8.8 | 7.9 | 7.2 | 9.2 | 9.3 | 9.4 | 9.3 | 9.1 | 9.2 | 7.6 | 7.1 | 5.4 | 5.1 |
| Japan | 208.6 | 209.2 | 188.4 | 190.5 | 207.4 | 221.1 | 221.8 | 205.4 | 205.3 | 217.8 | 250.3 | 228.8 | 221.5 |

## 14. PRODUCTION OF SELECTED COMMODITIES *(Cont'd)*

*Monthly averages or calendar months* *Thousand tons*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| PETROLEUM PRODUCTS[n] | | | | | | | | | | | | | |
| Burma | 30 | 34 | 36 | 37 | 41 | 48 | 48 | 50 | 45 | 50 | ... | ... | ... |
| China (Taiwan) *(thousand Kilolitres)* | 85 | 98 | 100 | 107 | 138 | 168 | 183 | 168 | 177 | 178 | 186 | 169 | 182 |
| India | 507 | 549 | 638 | 704 | 750 | 926 | 917 | 1,032 | 1,066 | 1,108 | *1,163* | ... | ... |
| Indonesia | 926 | 888 | 813 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Iran | 1,278 | 1,466 | 1,487 | 1,530 | 1,547 | 1,590 | 1,512 | 1,732 | ... | ... | ... | ... | ... |
| Korea, Rep. of *(thousand Kilolitres)* | — | — | — | 63 | 134 | 167 | 165 | 176 | 160 | 136 | 273 | 311 | 278 |
| Malaysia: Sarawak | 188 | 187 | 182 | 209 | 220 | ... | ... | ... | ... | ... | ... | ... | ... |
| Pakistan | 9.9 | 11.8 | 38.3 | 51.8 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Philippines | 200 | 244 | 304 | 352 | 380 | ... | ... | ... | ... | ... | ... | ... | ... |
| Thailand *(thousand Kilolitres)* | — | — | — | 39[p] | 150 | 176 | 207 | 122 | 191 | 239 | 185 | ... | ... |
| Australia | 1,021 | 1,087 | 1,193 | 1,280 | 1,363 | ... | ... | ... | ... | ... | ... | ... | ... |
| Japan *(thousand Kilolitres)* | 3,172 | 3,733 | 4,903 | 6,034 | 7,055 | 8,398 | 7,811 | 9,923 | 9,924 | 9,873 | 9,683 | 10,786 | 11,360 |
| CEMENT | | | | | | | | | | | | | |
| Afghanistan* | 3.3 | 5.0 | 8.6 | 10.4 | *14.2* | ... | ... | ... | ... | ... | ... | ... | ... |
| Burma | 3.3 | 4.4 | 10.3 | 10.9 | 10.0 | 11.8 | 12.7 | 10.0 | 13.2 | 10.9 | 9.9 | ... | ... |
| Ceylon | 6.8 | 7.1 | 6.3 | 6.2 | 7.2 | 6.9 | 7.1 | 7.1 | 7.8 | 13.1 | 18.1 | ... | ... |
| China: mainland | 667 | 667 | 833 | 875 | *917* | ... | ... | ... | ... | ... | ... | ... | ... |
| Taiwan | 125.8 | 155.9 | 187.2 | 196.3 | 203.6 | 259.0 | 269.0 | 285.0 | 281.3 | 279.3 | 269.7 | 314.0 | 321.0 |
| Hong Kong | 15.4 | 17.7 | 18.1 | 17.9 | 20.1 | 20.6 | 23.5 | 19.1 | 11.8 | 14.8 | 21.0 | 30.6 | 29.6 |
| India | 687 | 716 | 780 | 808 | 881 | 921 | 907 | 973 | 936 | 968 | *946* | 962 | 961 |
| Indonesia | 37.1 | 42.1 | 42.6 | 36.6 | *30.4* | ... | ... | ... | ... | ... | ... | ... | ... |
| Iran | 54.2 | 62.1 | 62.1 | 62.1 | *62.1* | ... | ... | ... | ... | ... | ... | ... | ... |
| Korea, Republic of | 43.6 | 65.8 | 64.9 | 103.5 | 134.7 | 156.7 | 184.3 | 149.3 | 167.9 | 230.7 | 214.6 | 280.6 | 185.0 |
| Malaysia: West | 27.6 | 27.1 | 30.1 | 38.8 | 61.5 | 65.3 | 69.7 | 71.7 | 66.3 | 72.1 | ... | ... | ... |
| Pakistan | 104.0 | 116.0 | 125.0 | 128.8 | 141.8 | 155.0 | 162.0 | 182.0 | 172.0 | 190.0 | 177.3 | 186.0 | 171.7 |
| Philippines | 84.9 | 80.1 | 79.3 | 100.1 | 127.4 | 134.4 | 134.0 | 136.2 | 114.2 | 148.9 | 149.9 | 147.9 | 110.7 |
| Thailand | 66.7 | 80.4 | 83.2 | 88.3 | 104.2 | 123.6 | 119.5 | 133.9 | 131.4 | 144.1 | 155.0 | 119.1 | 155.2 |
| Australia | 238 | 245 | 249 | 281 | 317 | 307 | 321 | 304 | 277 | 334 | 342 | 360 | 329 |
| Japan | 2,053 | 2,399 | 2,496 | 2,748 | 2,724 | 3,190 | 3,360 | 3,625 | 3,305 | 3,351 | 3,738 | 4,062 | 3,861 |
| New Zealand | 54 | 53 | 60 | 66 | 70 | 73 | 76 | 69 | 64 | 74 | 68 | 71 | ... |
| STEEL (ingots and metal for castings) | | | | | | | | | | | | | |
| China: mainland | 792 | 833 | 1,000 | 1,167 | *1,250* | ... | ... | ... | ... | ... | ... | ... | ... |
| Taiwan | 15.4 | 15.1 | 17.9 | 19.7 | 21.7 | 27.1 | 28.9 | 31.2 | 34.2 | 38.8 | 37.0 | 37.7 | 37.1 |
| India[q] | 339 | 426 | \|\| 497 | 503 | 534 | 550 | 532 | 565 | 566 | 520 | 523 | 533 | 518 |
| Korea, Republic of[q] | 5.5 | 12.4 | 13.3 | 10.8 | 16.0 | 18.0 | 17.7 | 22.2 | 23.5 | 26.2 | 27.0 | 34.2 | 25.1 |
| Pakistan[q] | 1.0 | 0.9 | 1.0 | 1.0 | *1.1* | ... | ... | ... | ... | ... | ... | ... | ... |
| Australia | 329 | 353 | 388 | 425 | 458 | 491 | 506 | 535 | 503 | 523 | 544 | 538 | 485 |
| Japan | 2,356 | 2,295 | 2,625 | 3,317 | 3,430 | 3,982 | 4,109 | 4,627 | 4,854 | 5,137 | 5,359 | 5,473 | 5,215 |
| TIN METAL | | | | | | | | | | | | | |
| Indonesia | 0.169 | 0.169 | *0.152* | *0.152* | *0.152* | *0.128* | *0.128* | *0.128* | *0.126* | *0.128* | *0.128* | ... | ... |
| Malaysia | 6.699 | 6.949 | 7.112 | 6.041 | 6.136 | 6.016 | 6.302 | 5.884 | 6,592 | 6,224 | 6,595 | 6,752 | 5,902 |
| Thailand | — | — | — | — | 0.468 | 1.434 | 1.258 | 1.989 | 2.515 | 2.451 | 1.934 | ... | ... |
| Australia | 0.216 | 0.229 | 0.222 | 0.256 | 0.269 | 0.315 | 0.333 | 0.283 | 0.275 | 0.190 | 0.353 | 0.275 | 0.578 |
| Japan | 0.139 | 0.157 | 0.167 | 0.165 | 0.137 | 0.155 | 0.146 | 0.159 | 0.161 | 0.145 | 0.135 | 0.151 | ... |
| ELECTRICITY[s] *(million kWh)* | | | | | | | | | | | | | |
| Afghanistan*[t] | 10.49 | 13.18 | 15.14 | 16.98 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Brunei | 0.86 | 0.93 | 0.93 | 1,008 | 1,250 | ... | ... | ... | ... | ... | ... | ... | ... |
| Burma | 24.8 | 27.9 | 29.7 | 32.0 | 32.6 | 33.0 | 33.3 | 33.4 | 33.4 | 33.5 | ... | ... | ... |
| Cambodia | 5.92 | 6.65 | 7.28 | 6.90 | 6.72 | 7.44 | 7.25 | 7.62 | 7.38 | 8.17 | 7.67 | 8.21 | 9.14 |
| Ceylon[t] | 30 | 32 | 34 | 34 | 35 | 44 | 44 | 47 | 44 | ... | ... | ... | ... |
| China: mainland | 4,875 | *3,958* | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Taiwan | 340 | 391 | 418 | 493 | 538 | 612 | 661 | 668 | 666 | 696 | 711 | 715 | 712 |
| Hong Kong[u] | 129 | 149 | 172 | 199 | 228 | 260 | 263 | 234 | 214 | 257 | 289 | 265 | 249 |
| India | 1,593 | 1,789 | 2,066 | 2,372 | 2,615 | 2,846 | 2,933 | 2,986 | 2,961 | 3,115 | 3,224 | 3,350 | 3,335 |
| Indonesia | 100 | 120 | 129 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Iran*[t] | 97 | 103 | 179 | 187 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Korea, Republic of | 148 | 165 | 184 | 225 | 271 | 323 | 336 | 363 | 371 | 389 | 420 | 456 | 452 |
| Laos | 0.66 | 0.78 | 0.76 | 1.02 | 1.30 | 1.75 | 1.76 | 1.85 | 1.79 | ... | ... | ... | ... |
| Malaysia | | | | | | | | | | | | | |
| East: Sarawak | 2.0 | 2.2 | 2.6 | 3.2 | 4.1 | 4.8 | ... | ... | ... | ... | ... | ... | ... |
| West | 112 | 123 | 135 | 154 | 177 | 199 | 205 | 209 | 205 | 218 | 226 | ... | ... |
| Mongolia[t] | 10.25 | 14.50 | 17.67 | 18.67 | 16.58 | ... | ... | ... | ... | ... | ... | ... | ... |
| Nepal | 0.92 | 1.08 | ... | 1.17 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Pakistan | 152 | 192 | 242 | 296 | 330 | 325 | ... | ... | ... | ... | ... | ... | ... |
| Philippines (Manila) | 161 | 185 | 207 | 232 | 255 | 287 | 299 | 302 | 294 | 329 | ... | ... | ... |
| Singapore | 60 | 65 | 69 | 76 | 87 | 103 | 108 | 110 | 109 | 116 | 124 | 129 | 123 |
| Thailand (Bangkok and Thonburi) | 37 | 44 | 54 | 69 | 93 | 120 | 127 | 121 | 139 | 157 | 168 | 172 | 174 |
| Viet-Nam, Republic of | 27 | 29 | 33 | 39 | 44 | 50 | 52 | 53 | 51 | 59 | 59 | ... | ... |
| Western Samoa[t] (Apia district) | 0.41 | 0.48 | 0.49 | 0.53 | 0.61 | 0.60 | ... | 0.64 | 0.60 | 0.64 | 0.71 | ... | ... |
| Australia[t] | 2,122 | 2,318 | 2,551 | 2,826 | 3,076 | 3,312 | 3,727 | 3,261 | 3,146 | 3,638 | 4,044 | 3,644 | 3,508 |
| Japan[t] | 10,693 | 11,480 | 12,850 | 14,657 | 15,698 | 17,389 | 18,163 | 18,401 | 18,618 | 18,862 | 20,794 | ... | ... |
| New Zealand | 610 | 648 | 734 | 797 | 871 | 931 | 1,114 | 859 | 800 | 1,034 | 1,111 | 918 | 907 |

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a. Including latex. b. Including lignite. (India, monthly data).

c. Total production, including gas for repressuring and gas wasted.

d. Gas fields production only.

e. Specific gravity: Brunei, Burma, India, Iran, Pakistan and Malaysia (Sarawak), 0.84; China (Taiwan), 0.89; Indonesia, 0.85; Australia, 0.80; Japan, 0.90.

f. Approximate metal content of ores as follows: Hong Kong and the Philippines, 55-60%; India 61%; Republic of Korea, 45-55%; Malaysia (West), 60%; Thailand, 60-65%; Australia, 65%; Japan, 55%.

g. Including iron sand.

h. Production in government licensed plants only.

i. Mill production only.

j. Paper excluding paperboard: India, printing and writing; Republic of Korea, Australia and New Zealand, newsprint; Pakistan, newsprint, printing other than newsprint and writing; Japan, foreign style.

k. $P_2O_5$ content. m. 'N' content.

n. comprising motor spirit, kerosene and other fuel oil for Burma; gasoline, diesel oil, kerosene and fuel oil for China (Taiwan) and Thailand; motor spirit, aviation spirit, kerosene, heavy oil, wax and paraffin, asphalt and cutback for Indonesia; motor spirit, kerosene, distillate fuel oils and residual fuel oil for Malaysia (Sarawak) and Philippines; motor spirit and kerosene for Pakistan; all products for other countries.

p. August—December.

q. Ingots only (India: beginning 1963).

s. Gross production by enterprises generally for public use.

t. Including production by industrial establishments generating primarily for own use.

u. Limited series, Prior to July 1962 excludes Cheung Chau Island.

## 15. CONSTRUCTION — NEW BUILDING

*Monthly averages or calendar months*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | •Nov |
| **Ceylon: completed**[a] | | | | | | | | | | | | | |
| (Floor area—*thousand sq me.res*) | | | | | | | | | | | | | |
| Residential . . . . . . . . | 13.83 | 4.32 | 8.38 | 9.49 | 9.46 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| Non-residential . . . . . . . | 2.70 | 1.30 | 7.28 | 3.69 | 2.94 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| **China (Taiwan): completed** | | | | | | | | | | | | | |
| (Floor area—*thousand sq metres*) | | | | | | | | | | | | | |
| Public . . . . . . . . . . | 7.55 | 11.04 | 41.58 | 48.82 | 149.61 | 238.90 | 227.60 | 271.12 | 266.0 | 340.5 | 326.8 | 352.1 | 257.2 |
| Private . . . . . . . . . | 25.48 | 25.02 | | | | | | | | | | | |
| **Hong Kong: completed** | | | | | | | | | | | | | |
| (Cost—*thousand Hong Kong dollars*) | | | | | | | | | | | | | |
| Residential . . . . . . . . | 15,968 | 16,253 | 23,823 | 42,711 | 49,128 | 50,661 | 62,744 | 38,600 | 32,659 | 43,474 | 57,242 | . . . | 42,276 |
| Industrial . . . . . . . . . | 3,488 | 3,661 | 4,938 | 5,427 | 13,707 | 13,197 | 18,344 | 3,516 | 3,719 | 5,437 | 10,307 | . . . | 9,970 |
| Commercial . . . . . . . . | 608 | 4,460 | 947 | 4,563 | 8,787 | 8,428 | 25,593 | 4,740 | 13,466 | 22,579 | 10,232 | . . . | 7,393 |
| Others . . . . . . . . . | 4,427 | 3,857 | 5,064 | 10,276 | 8,342 | 10,303 | 24,501 | 4,444 | 2,948 | 20,718 | 6,002 | . . . | 8,355 |
| **Korea, Republic of: permits issued** | | | | | | | | | | | | | |
| (Floor area—*thousand sq metres*) | | | | | | | | | | | | | |
| Residential . . . . . . . . | 31 | 33 | 62 | 69 | 86 | 118 | 135 | 108 | 85 | 223 | 210 | 559 | 180 |
| Non-residential . . . . . . . | 66 | 109 | 117 | 140 | 161 | 190 | 180 | 150 | 128 | 239 | 283 | 245 | 271 |
| **Philippines:**[b] **permits issued** | | | | | | | | | | | | | |
| (Value—*thousand pesos*) | | | | | | | | | | | | | |
| Residential . . . . . . . . | 1,993 | 1,936 | 2,199 | 3,099 | 2,692 | 2,144 | 2,107 | 1,921 | 2,285 | 2,385 | . . . | . . . | . . . |
| Non-residential . . . . . . . | 3,977 | 2,951 | 3,125 | 4,074 | 5,222 | 5,138 | 5,345 | 3,159 | 5,169 | 4,915 | . . . | . . . | . . . |
| **Thailand: permits issued** | | | | | | | | | | | | | |
| (Floor area—*thousand sq metres*) | | | | | | | | | | | | | |
| Residential . . . . . . . . | 104 | 75 | 100 | 57 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| Non-residential . . . . . . . | 183 | 156 | 195 | 148 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| **Viet-Nam, Republic of:**[c] **permits issued** | | | | | | | | | | | | | |
| (Floor area—*thousand sq metres*) | | | | | | | | | | | | | |
| Apartments . . . . . . . . | 10.59 | 7.92 | 7.27 | 20.58 | 26.00 | 31.74 | 19.12 | 34.02 | 17.62 | 9.86 | 20.86 | 14.65 | 7.12 |
| Houses . . . . . . . . . | 8.10 | 9.20 | 7.95 | 14.40 | 14.82 | 21.91 | 29.83 | 15.91 | 14.14 | 18.69 | 16.00 | 12.39 | 9.48 |
| Others . . . . . . . . . | 4.09 | 5.31 | 6.46 | 6.78 | 5.88 | 8.51 | 5.93 | 10.00 | 4.40 | 9.85 | 10.37 | 8.67 | 12.85 |
| **Australia: completed** | | | | | | | | | | | | | |
| *(Number of buildings)* | | | | | | | | | | | | | |
| Houses and flats . . . . . . | 7,373 | 7,231 | 7,604 | 8,768 | 9,598 | 9,330 | 9,130 | 10,306 | 8,160 | 9,626 | 9,908 | . . . | . . . |
| **Japan: started** | | | | | | | | | | | | | |
| (Floor area—*thousand sq metres*) | | | | | | | | | | | | | |
| Residential . . . . . . . . | 3,100 | 3,205 | 3,779 | 4,276 | 4,839 | 5,160 | 5,592 | 5,427 | 5,068 | 6,398 | 6,837 | 6,596 | 7,188 |
| Industrial . . . . . . . . . | 1,567 | 1,335 | 1,304 | 1,584 | 1,173 | 1,230 | 1,389 | 1,469 | 1,579 | 2,117 | 2,139 | 2,129 | 2,244 |
| Commercial . . . . . . . . | 749 | 744 | 1,051 | 1,327 | 1,118 | 1,233 | 1,380 | 1,382 | 1,298 | 1,645 | 1,710 | 1,855 | 1,912 |
| Others . . . . . . . . . | 980 | 1,103 | 1,102 | 1,369 | 1,395 | 1,467 | 1,711 | 1,680 | 934 | 1,299 | 1,626 | 2,033 | 2,022 |
| **New Zealand ‡: permits issued** | | | | | | | | | | | | | |
| *(Number of buildings)* | | | | | | | | | | | | | |
| Houses and flats . . . . . . | 1,866 | 1,720 | 1,814 | 2,113 | 2,161 | 2,004 | 2,142 | 1,975 | 1,877 | 1,701 | 1,918 | . . . | . . . |

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a. Excluding particulars of buildings under building schemes.

b. Manila only.

c. Saigon-Cholon only.

## 16. RAILWAYS: LENGTH AND ROLLING STOCK[a]

*End of period*

| | LENGTH OF RAILWAYS *(km)* | | | | | | | | NUMBER OF LOCOMOTIVES[b] | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
| Burma† | 2,932 | 3,023 | 3,063 | 3,069 | 3,076 | 3,076 | (3,099) | . . . | 301 | 298 | 296 | 293 | 336 | 361 | (363) |
| Cambodia | 385 | 385 | 385 | 385 | 385 | (385) | (460) | . . . | 24 | 24 | 24 | 27 | 27 | (27) | (34) |
| Ceylon† | 1,445 | 1,445 | 1,445 | 1,445 | 1,484 | (1,489) | (1,505) | . . . | 276 | 277 | 277 | 277 | 277 | (277) | (279) |
| China (Taiwan) | (973) | 979 | 979 | 979 | 979 | (975) | (975) | (975) | 269 | 296 | 267 | 267 | 267 | 267 | (312) |
| Hong Kong | 36 | 36 | 36 | 36 | 36 | 36 | (36) | . . . | 12 | 8 | 11 | 9 | 8 | 8 | 9 |
| India‡ | 56,670 | 56,962 | 57,089 | (57,389) | 57,585 | 58,273 | (59,061) | (59,075) | 10,528 | 10,731 | 11,034 | 11,348 | 11,652 | 11,732 | 11,833 |
| Indonesia | 6,640 | 6,640 | 6,640 | 6,640 | . . . | . . . | . . . | . . . | 1,741 | 1,132 | 1,218 | . . . | . . . | . . . | . . . |
| Iran* | 3,505 | 3,505 | 3,499 | 3,505 | 3,499 | (3,499) | . . . | . . . | 451 | 451 | 467 | 467 | 467 | (461) | . . . |
| Korea, Republic of | 2,976 | 3,022 | 3,032 | 3,038 | 2,956 | (2,980) | (3,063) | (3,105)[e] | (554) | 445 | 375 | 405 | 397 | 397 | (434) |
| Malaysia: | | | | | | | | | | | | | | | |
| East: Sabah | 187 | 187 | (187) | (154) | (154) | (154) | (154) | . . . | 13 | 13 | 13 | (13) | (13) | (12) | (12) |
| West[g] | 2,092 | 2,092 | 2,092 | 2,092 | 2,092 | 2,092 | 2,092 | . . . | 178 | 176 | 176 | 188 | 185 | 211 | 224 |
| Mongolia | 1,397 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| Pakistanø | (11,329) | (11,326) | (11,326) | (11,326) | (11,326) | (11,339) | (11,340) | . . . | 1,350 | 1,384 | 1,421 | 1,419 | 1,494 | 1,495 | (1,508) |
| Philippinesø | 1,020 | 1,020 | 1,020 | 1,028 | 1,028 | (1,028) | (1,028) | (1,028) | 121 | 131 | 130 | 123 | 155 | 143 | 143 |
| Thailand | 3,494 | 3,494 | 3,519 | 3,598 | 3,598 | (3,598) | (3,598) | . . . | 372 | 394 | 393 | 390 | 459 | (451) | (443) |
| Viet-Nam, Republic of | 1,384 | 1,391 | 1,250 | 1,250 | 1,250 | (1,250) | (1,250) | . . . | 123 | 105 | 103 | 116 | 108 | (124) | (113) |
| Australiaø | 42,242 | 42,007 | 41,170 | 41,033 | 40,496 | . . . | . . . | . . . | 3,373 | 3,327 | 3,196 | 3,031 | 2,891 | 2,826 | 2,742 |
| Japan‡[g] | 20,402 | 20,482 | 20,519 | 20,516 | 20,665 | 20,741 | (20,754) | (20,783) | (5,292) | (5,013) | (4,953) | (4,893) | (4,902) | (4,940) | (5,115) |
| New Zealand‡ | (5,388) | (5,383) | (5,382) | (5,271) | (5,274) | (5,256) | (5,251) | (5,189) | 722 | 716 | 715 | 712 | 685 | 636 | (625) |

| | NUMBER OF PASSENGER CARS[c] | | | | | | | | NUMBER OF WAGONS[d] | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 |
| Burma† | 922 | 962 | 1,015 | 963 | 987 | 1,046 | (1,084) | . . . | 8,841 | 8,948 | 8,663 | 7,787 | 8,060 | 8,326 | (8,927) |
| Cambodia | 52 | 59 | 64 | 65 | 65 | (65) | (59) | . . . | 453 | 453 | 453 | 466 | 466 | (466) | (416) |
| Ceylon† | (1,049) | 1,030 | 1,031 | 1,100 | 1,093 | 1,133 | (1,118) | . . . | 3,122 | 3,112 | 3,057 | 3,627 | 3,537 | (3,603) | 3,569 |
| China (Taiwan) | 693 | 730 | 757 | 743 | 735 | [illegible] | (791) | (806) | 5,850 | 6,135 | 6,010 | 5,995 | 5,926 | 5,817 | (6,251) |
| Hong Kong | 51 | 50 | 50 | 73 | 71 | 70 | (70) | . . . | 210 | 210 | (210) | 198 | 198 | 198 | (198) |
| India‡ | 27,839 | 28,852 | 30,098 | 31,328 | 32,109 | 32,634 | 33,346 | (29,633)[h] | 298,951 | 302,846 | 314,124 | 326,074 | 338,605 | (353,074) | (363,966) |
| Indonesia | 2,979 | 2,989 | 2,961 | . . . | . . . | . . . | . . . | . . . | 24,309 | 25,160 | 26,449 | . . . | . . . | . . . | . . . |
| Iran* | 476 | 476 | 475 | 475 | 415 | 415 | . . . | . . . | 5,894 | 5,894 | 5,853 | 5,853 | 5,844 | 5,846 | . . . |
| Korea, Republic of | 1,308 | (1,308) | 1,445 | 1,609 | 1,422 | 1,517 | (1,418) | (1,384)[e] | 9,541 | 9,435 | 9,659 | 10,479 | 10,764 | 10,587 | (11,454) |
| Malaysia: | | | | | | | | | | | | | | | |
| East: Sabah | 37 | 40 | 37 | 39 | 41 | 45 | 47 | (34) | 124 | 128 | 121 | 123 | 124 | 124 | 124 |
| West[g] | 380 | 382 | 382 | 387 | 392 | 394 | 419 | . . . | 6,222 | 6,269 | 6,214 | 6,230 | 6,379 | 6,417 | 6,526 |
| Pakistanø | (4,111) | 4,176 | 4,162 | 4,067 | 4,226 | 4,470 | (4,669) | . . . | (45,714) | 45,017 | 46,304 | 48,689 | 51,853 | 53,153 | (54,351) |
| Philippinesø | 159 | 246 | 215 | 242 | 177 | (228)[f] | 176[i] | (205)[f] | 1,729 | 1,636 | 1,849 | 1,849 | 1,844 | (1,651) | 1,826 |
| Thailand | 813 | 802 | 800 | 793 | 774 | (760) | (771) | . . . | 7,181 | 7,144 | 7,236 | 7,206 | 7,238 | (7,937) | (8,672) |
| Viet-Nam, Republic of | 242 | 246 | 241 | 287 | 196 | (175) | (169) | . . . | 1,316 | 1,383 | 1,747 | 1,245 | 1,468 | (2,066) | (2,059) |
| Australiaø | 9,287 | 9,172 | 9,171 | 8,965 | 8,829 | 8,777 | 8,748 | . . . | 94,443 | 92,455 | 91,094 | 90,020 | 88,929 | 88,781 | 88,205 |
| Japan‡[g] | (16,940) | (17,741) | (18,940) | (19,953) | (20,595) | (21,695) | (23,887) | (24,430) | (110,778) | (116,576) | (123,993) | (128,461) | (134,412) | (135,973) | (139,519) |
| New Zealand‡ | (997) | (968) | (956) | (911) | 883 | 868 | 850 | 813 | 34,266 | 33,370 | 32,732 | 32,429 | 33,041 | 33,095 | 33,433 |

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a. The figures show stock, which at the end of the working year, was under the control of the railway administration of the countries (i.e. stock of railways plus hired from, less that leased to others). The railways to which the figures refer are those open to public traffic excluding urban and suburban tramways, cable and funicular railways. Vehicles owned by other than railway administrations should be included in the stocks of the Administration which operates them.

b. *Locomotives:* All rail vehicles equipped either with motive power and engines or with motors only (e.g. electric locomotives) intended exclusively for haulin other vehicles. Excluding railcars.

c. *Passenger carriages:* All passenger-carrying cars and railcars, baggage cars an railway-owned postal vans.

d. *Wagons (freight cars):* All goods carrying cars, excluding railway service wagon

e. At the end of September. f. Including railcars. g. National railways only

h. Excludes railway service vehicles. i. Includes 7 dining cars.

## 17. ROADS: MOTOR VEHICLES IN USE[a]

*ousands* *End of period*

| | NUMBER OF PASSENGER CARS[b] | | | | | | | | NUMBER OF COMMERCIAL VEHICLES[c] | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1960 | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 |
| ghanistan* Kabul only) | 4.6 | 5.2 | 5.9 | 7.1 | 8.1 | 12.8 | (18.4) | . . . | 7.8 | 8.4 | 8.8 | 9.3 | 9.7 | 12.6 | (16.3) | . . . |
| ınei | 2.5 | 2.9 | 3.3 | 3.9 | 4.5 | 5.4 | 5.7 | . . . | 1.3 | 1.5 | 2.1 | 2.5 | [illegible].2 | 1.6 | 1.5 | . . . |
| rma†[d] | 18.4 | 19.5 | 21.9 | 24.8 | 26.7 | 25.2 | (28.5) | (27.9)[e] | 18.5 | 19.2 | 19.7 | 19.1 | 23.1 | 24.8 | (23.1) | (27.3)[e] |
| mbodia[f] | (10.2) | 11.6 | 13.4 | 15.3 | 16.4 | (18.1) | (19.3) | . . . | (6.8)[g] | (7.6)[g] | 8.2[g] | 8.9[g] | 9.3[g] | 9.8[g] | (10.3)[g] | . . |
| ylon†[d] | 82.6 | 83.8 | 83.2 | 82.7 | 82.6 | 82.5 | (82.7) | . . . | 31.0 | 35.6 | 33.8 | 34.4 | 35.7 | 36.3 | (36.9) | . . . |
| ina: Taiwan | 8.1 | 9.0 | 10.0 | 11.0 | 12.4 | 15.1 | (19.2) | (20.9) | 10.9 | 11.5 | 12.2 | 13.2 | 14.8 | 17.5 | (21.3) | (22.3) |
| ng Kong[h] | 32.5 | 37.2 | 42.1 | 47.2 | 53.0 | 56.1 | 59.7 | (64.4)[i] | 9.6 | 10.8 | 12.3 | 15.1 | 18.4 | 19.5 | 20.1 | (19.4)[i] |
| dia‡[d] | 282.0 | 309.6 | 339.6 | (375.4) | (388.4) | (428.1) | 455.4 | (483.5) | 246.2[j] | 260.3[j] | (293.0)[j] | (332.3)[j] | (349.7)[j] | (376.5)[j] | 409.0[j] | (428.5)[j] |
| donesia[d,k] | 103.3[m] | 132.2[m] | 131.4[m] | 142.0[m] | 147.5[m] | 151.0[m] | . . . | . . . | 92.4 | 95.3 | 90.9 | 99.7 | 104.9 | 108.4 | . . . | . . |
| n* | 91.8 | 96.4 | 102.9 | 107.8 | 105.9 | . . . | . . . | . . . | 44.2 | 42.2 | 42.0 | 43.8 | 44.1 | . . . | . . . | . . |
| rea, Rep. of | 12.8 | 9.8 | 11.1 | 12.7 | 14.6 | 16.3 | (17.5) | (20.2)[i] | 18.6 | 19.4 | 19.7 | 21.6 | 23.2 | 25.2 | 31.6 | (26.0)[i] |
| os | 3.2 | 4.2 | 4.6 | 4.8 | (5.4) | (6.0) | (6.8) | . . . | 1.8 | 1.8 | 1.5 | 1.6 | (1.8) | (1.9) | (2.2) | . . . |
| laysia: East: Sabah | 4.0 | 5.8 | 6.3 | 7.5 | 8.0 | (8.7) | (10.6) | . . . | 1.4 | 1.5 | 1.9 | 2.2 | 3.3 | 3.1 | 3.6 | . . |
| Sarawak | 3.0 | 3.5 | 3.8 | 4.4 | 5.4 | (6.6) | (7.7) | (8.5)[n] | 1.0 | 1.2 | 1.3 | 1.4 | 1.6 | 1.7 | (2.0) | (2.2)[n] |
| West | 96.6 | 107.5 | 117.6 | 129.7 | 144.2 | 159.6 | (174.5) | (181.0)[n] | 31.6[g] | 34.0[g] | 36.8[g] | 39.0[g] | 42.0[g] | (45.6)[g] | (48.4)[g] | (49.6)[n,g] |
| pal[p] | 1.3 | 1.5 | 1.6 | 1.6 | . . . | . . . | . . . | . . . | 0.4 | 0.6 | 0.7 | 0.7 | . . . | . . . | . . . | . . . |
| kistan[d] | (68.4) | (78.2) | (85.6) | 94.4 | 107.9 | 122.8 | . . . | . . . | (35.3) | (40.9) | (46.1) | 47.4 | 50.9 | 55.2 | . . . | . . |
| ilippinesø | 87.7 | 94.2 | 100.2 | 102.3 | (138.9) | (150.3) | (175.1) | . . . | 75.2 | 81.2 | 89.7 | 99.3 | (112.9) | (122.8) | (135.4) | . . |
| ıgapore | 66.8[d] | 73.6[d] | 80.9[d] | 89.3[d] | 99.0[d] | 108.4[d] | 117.8 | (120.5)[e] | 14.9[j,g] | 15.9[j,g] | 17.2[j,g] | 18.6[j,g] | 19.9[j,g] | 23.0[j,g] | (24.9)[j,g] | (26.4)[g] |
| ailand[h] | 48.3 | 46.9 | 49.8 | 57.7 | 66.8 | (64.9)[e] | 68.9 | . . . | 50.5[g] | 56.2[g] | 66.4[g] | 75.0[g] | 87.0[g] | (78.1)[g] | (102.4)[g] | . . . |
| et-Nam, Rep. of[d,q] | 25.3 | 22.7[t] | 29.0 | 30.6 | 32.6 | 34.3 | (37.9) | . . . | 19.3 | 22.9[t] | 26.2 | 27.1 | 30.6 | 33.2 | (37.3) | . . . |
| estern Samoa | 0.5 | 0.5 | 0.6 | 0.6 | 0.6 | (0.6) | (0.7) | (0.8)[e] | 0.7 | 0.7 | 0.7 | 0.7 | (0.7) | (0.7) | (0.6) | (0.8)[e] |
| ıstraliaø[d,t,u] | 2,024.6[m] | 2,128.3[m] | 2,300.1[m] | 2,498.9[m] | 2,707.0[m] | 2,893.1[m] | 3,057.2[m] | . . . | 838.0[j] | 806.0[j] | 827.3[j] | 844.5[j] | 862.4[j] | 872.2[j] | 886.7[j] | . . . |
| pan: Heavy | 419.8[b] | 569.4[b] | 742.9[b] | (1,009.8)[b] | (1.370.6)[b] | (1,787.5)[b] | (2,337.6)[b] | . . . | 1,345.2 | 1,551.8 | (1,787.5) | (2,116.4) | (2,497.8) | (2,877.3) | (3,391.9) | . . . |
| Light[v] | (37.5) | (94.5) | (146.2) | (223.8) | (301.8) | (393.8) | (495.6) | . . . | (300.9) | (566.7) | (856.3) | (1,172.0) | (1,470.5) | (1,765.1) | (2,086.7) | . . . |
| w Zealandø[k] | 516.2 | 541.2 | 573.2 | 604.8 | 656.0 | 715.6 | (749.9) | (807.7) | 125.2[m] | 131.8[m] | 137.9[m] | 140.5[m] | 146.8[m] | 162.2[m] | (171.7)[m] | (171.9)[m] |

*Source:* United Nations Office, except those in brackets which are from national source.

a. Two- or three-wheeled cycles and motorcycles, trams, trolley-buses, ambulances, hearses, military vehicles, vehicles operated by police or other governmental security organizations and special purpose vehicles are excluded.

b. *Passenger cars:* motorcars seating less than eight persons (except Japan ten persons and less) including taxis, jeeps and station wagons.

c. *Commercial vehicles:* including lorries (trucks), buses, tractors, and semi-trailer combinations; excluding trailers and farm tractors.

d. Including vehicles operated by police or other governmental security organizations (Burma: also ambulances and hearses; India: beginning 1960).

e. At the end of September.

f. Accumulated registrations including vehicles no longer in existence.

g. Excluding tractor (Singapore: and semi-trailer combinations).

h. Excluding governmental vehicles. i. At the end of October.

j. Including special purpose vehicles. k. Including military vehicles.

m. Including ambulances and hearses. n. At the end of June.

p. Data relate to number of cars, lorries, trucks and buses in Kathmandu Valley.

q. Beginning 1960, passenger cars exclude police and government vehicles.

t. Census figures (Australia: from 1960 to 1962 estimated figures based on census).

u. Jeeps are included in commercial vehicles.

v. Including light vehicles with three wheels.

## 18. VOLUME OF TRAFFIC: RAILWAYS, SEA-BORNE SHIPPING AND CIVIL AVIATION

*Monthly averages or calendar months*

| | | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | III | IV | I | II | III | Oct | Nov |
| RAILWAYS[a] | | | | | | | | | | | | | | |
| Passenger-kilometres *(million)* | | | | | | | | | | | | | | |
| Burma† | | 123 | 128 | 128 | 136 | 180 | 208 | 189 | 229 | 193 | 191 | 185 | 191 | 191 |
| Cambodia | | 6 | 6 | 7 | 8 | 10 | 9 | 8 | 8 | 10 | 12 | 13 | 13 | ... |
| Ceylon† | | 150 | 165 | 180 | 195 | 201 | 206 | 223 | *191* | ... | ... | ... | ... | ... |
| China (Taiwan) | | 314 | 290 | 296 | 336 | 372 | 387 | 375 | 406 | 429 | 421 | 430 | 431 | 418 |
| Hong Kong | | 12 | 12 | 12 | 13 | 15 | 14 | 13 | 13 | 15 | 13 | 12 | 14 | 13 |
| India‡ | | 6,824 | 6,998 | 7,325 | 8,279 | *7,915* | *7,985* | 7,851 | 7,571 | *8,316* | ... | ... | ... | ... |
| Iran | | 145 | 126 | 120 | 114 | 91 | 95 | 141 | 76 | 77 | 91 | 122 | ... | ... |
| Korea, Republic of | | 448 | 489 | 548 | 613 | 576 | 721 | 729 | 777 | 746 | 795 | 877 | 866 | 684 |
| Malaysia | | | | | | | | | | | | | | |
| East: Sabah | | 1.48 | 1.73 | 1.79 | 1.81 | 1.85 | ... | ... | ... | ... | ... | ... | ... | ... |
| West[b] | | 51 | 50 | 43 | 47 | 49 | 49 | 49 | 49 | 45 | 41 | 48 | ... | ... |
| Pakistanφ | | 1,000 | 1,045 | 1,106 | 1,097 | 1,046 | *1,116* | 1,159 | 1,095 | 941 | 1,059 | ... | ... | ... |
| Philippinesφ | | 82 | 84 | 89 | 79 | 73 | 82 | 72 | 87 | 87 | 102 | 73 | 70 | 59 |
| Thailand | | 193 | 213 | 226 | 234 | 245 | 275 | 239 | 283 | 313 | 339 | *270* | *290* | *300* |
| Viet-Nam, Republic of | | 49 | 28 | 19 | 10 | 1 | 1 | 0.2 | 0.5 | 0.5 | 1.0 | 1.6 | 1.1 | 1.1 |
| Australiaφ | | 290 | 296 | 297 | 296 | 292 | 290 | ... | ... | ... | ... | ... | ... | ... |
| Japan | | 16,217 | 17,275 | 18,503 | 19,910 | 20,987 | 21,532 | 21,814 | 21,435 | 21,416 | 22,516 | 22,764 | 23,732 | 20,399 |
| New Zealand‡ | | 60 | 61 | 61 | 58 | 57 | 57 | 51 | 49 | 59 | 40 | 43 | 45 | 40 |
| Freight ton-kilometres *(million)* | | | | | | | | | | | | | | |
| Burma†[c] | | 60 | 62 | 69 | 67 | 77 | 75 | 78 | 73 | 81 | 74 | 56 | 51 | 57 |
| Cambodia | | 6 | 4 | 6 | 7 | 8 | 3 | 3 | 3 | 7 | 7 | 4 | 2 | ... |
| Ceylon† | | 25 | 25 | 25 | 27 | 25 | 27 | *27* | *25* | *27* | *27* | ... | ... | ... |
| China (Taiwan)[c] | | 180 | 171 | 177 | 197 | 201 | 203 | 196 | 286 | 218 | 218 | 196 | 191 | 207 |
| Hong Kong | | 0.92 | 1.08 | 1.26 | 1.82 | 2.60 | 3.11 | 3.79 | 4.02 | 2.33 | 2.10 | 0.55 | 2.38 | 2.11 |
| India‡ | | 7,601 | 8,096 | 8,645 | 8,152 | 8,788 | *8,913* | 9,407 | 8,492 | *9,085* | ... | ... | ... | ... |
| Iran | | 169 | 116 | 121 | 165 | 193 | 186 | 154 | 167 | 154 | 146 | 143 | ... | ... |
| Korea, Republic of | | 271 | 312 | 339 | 358 | 406 | 460 | 427 | 443 | 465 | 475 | 512 | 553 | 543 |
| Malaysia | | | | | | | | | | | | | | |
| East: Sabah | | 0.32 | 0.36 | 0.40 | 0.49 | 0.49 | ... | ... | ... | ... | ... | ... | ... | ... |
| West[b] | | 63 | 59 | 51 | 60 | 80 | 82 | 82 | 87 | 82 | 93 | 85 | ... | ... |
| Pakistanφ | | 675 | 717 | 798 | 796 | 763 | *1,095* | 681 | 793 | 793 | 890 | ... | ... | ... |
| Philippinesφ | | 16 | 15 | 16 | 13 | 12 | 12 | 13 | 11 | 11 | 13 | 14 | 12 | 8 |
| Thailand | | 106 | 111 | 110 | 121 | 130 | 138 | 121 | 150 | 167 | *168* | *162* | *146* | ... |
| Viet-Nam, Republic of | | 14 | 13 | 15 | 11 | 3 | 0.3 | 1 | 2 | 4 | 2 | 1.6 | 1.7 | 1.7 |
| Australiaφ | | 1,197 | 1,202 | 1,261 | 1,431 | 1,520 | 1,500 | 1,505 | 1,498 | 1,576 | 1,699 | 1,726 | ... | ... |
| Japan | | 4,720 | 4,793 | 4,842 | 4,969 | 4,690 | 4,593 | 4,302 | 5,009 | 4,713 | 4,832 | 4,766 | 5,117 | 5,405 |
| New Zealand‡ | | 166 | 158 | 178 | 192 | 201 | 202 | 210 | 210 | 213 | 187 | 200 | 195 | 197 |
| INTERNATIONAL SEA-BORNE SHIPPING | | | | | | | | | | | | | | |
| Freight loaded (L) and unloaded (U) in external trade *(thousand tons)* | | | | | | | | | | | | | | |
| Brunei | L | 4 | 3 | 3 | 2 | 2 | *3* | 5 | *4* | 6 | ... | ... | ... | ... |
| | U | 4 | 6 | 9 | 12 | 15 | *16* | *16* | *18* | *15* | ... | ... | ... | ... |
| Burma† | L | 160 | 179 | 190 | 170 | 145 | 103 | 128 | 72 | 84 | 65 | 61 | 57 | ... |
| | U | 81 | 73 | 80 | 86 | 116 | 81 | 81 | 96 | 99 | 73 | 42 | 77 | ... |
| Cambodia[d] | L | 37 | 41 | 54 | 76 | 67 | 41 | 39 | 53 | 30 | 45 | 58 | 33 | 33 |
| | U | 33 | 48 | 56 | 43 | 46 | 48 | 49 | 37 | 56 | 45 | 44 | 37 | 58 |
| Ceylon | L | 81 | 83 | 64 | 95 | 75 | 81 | *83* | 67 | 80 | *79* | *80* | *81* | *84* |
| | U | 403 | 371 | 337 | 463 | 286 | 306 | *262* | 249 | 236 | *245* | *171* | *153* | *148* |
| China (Taiwan) | L | 181 | 188 | 259 | 296 | 336 | 308 | 317 | 251 | 279 | 376 | 303 | 259 | 220 |
| | U | 254 | 269 | 300 | 324 | 425 | 482 | 491 | 540 | 551 | 618 | 582 | 621 | 587 |
| Hong Kong[e] | L | 178 | 181 | 188 | 207 | 206 | 250 | 288 | 289 | 246 | 239 | 205 | 162 | 183 |
| | U | 514 | 604 | 687 | 744 | 764 | 782 | 777 | 829 | 797 | 730 | 652 | 706 | 682 |
| Indonesia[f] | L | 1,487 | 1,183 | 1,465 | 2,012 | 2,019 | 1,858 | ... | 1,685 | ... | ... | ... | ... | ... |
| | U | 458 | 325 | 277 | 234 | 229 | ... | ... | ... | ... | ... | ... | ... | ... |
| Iran*[g] | L | 4,491 | 4,829 | 5,422 | 6,038 | 7,444 | 7,625 | 7,692 | 5,467 | 8,801 | 8,072 | ... | ... | ... |
| | U | 114 | 118 | 113 | 193 | 190 | 183 | 178 | 190 | 233 | 146 | 147 | 236 | ... |
| Korea, Republic of | L | 80 | 67 | 72 | 88 | 131 | 130 | 124 | 130 | 84 | 69 | 103 | 117 | 69 |
| | U | 204 | 306 | 361 | 347 | 431 | 432 | 658 | 610 | 478 | 714 | 725 | 622 | 549 |

## 18. VOLUME OF TRAFFIC: RAILWAYS, SEA-BORNE SHIPPING AND CIVIL AVIATION *(Cont'd)*

*Monthly averages or calendar months*

| | | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | III | IV | I | II | III | Oct | Nov |
| INTERNATIONAL SEA-BORNE SHIPPING *(Cont'd)* | | | | | | | | | | | | | | |
| Freight loaded (L) and unloaded (U) in external trade *(thousand tons)* *(Cont'd)* | | | | | | | | | | | | | | |
| Malaysia | | | | | | | | | | | | | | |
| East: Sabah | L | 132 | 143 | 164 | *197* | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| | U | 34 | 40 | 41 | 59 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Sarawak | L | 408 | 503 | 360 | 354 | 383 | 456 | *479* | *477* | *476* | 620 | ... | ... | ... |
| | U | 28 | 28 | 31 | 36 | 40 | 42 | *45* | *44* | *45* | 45 | ... | ... | ... |
| West[e] | L | \|\|621 | \|\|655 | 669 | 821 | 838 | 751 | 985 | 528 | 481 | 810 | 1,065 | ... | ... |
| | U | \|\|310 | \|\|358 | 407 | 530 | 535 | 577 | 641 | 583 | 574 | 626 | 627 | ... | ... |
| Pakistan | L | 159 | 188 | 213 | 190 | 194 | 225 | 184 | 129 | 256 | 312 | 263 | 327 | *284* |
| | U | 515 | 487 | 616 | 725 | 749 | 699 | 771 | 808 | 1,007 | 1,220 | 720 | 837 | *1,021* |
| Philippines | L | 575 | 604 | 426 | 834 | 888 | 982 | 936 | 900 | 705 | 948 | ... | ... | ... |
| | U | 410 | 427 | 429 | 621 | 672 | 747 | 792 | 741 | 862 | 863 | ... | ... | ... |
| Singapore | L | 551 | 649 | 665 | 522 | 676 | 855 | 860 | 920 | 1,035 | 970 | 1,023 | 1,097 | 905 |
| | U | 995 | 1,135 | 1,163 | 1,006 | 1,131 | 1,401 | 1,425 | 1,457 | 1,556 | 1,478 | 1,578 | 1,711 | 1,500 |
| Thailand (Bangkok) | L | 280 | 257 | 273 | 372 | 396 | 405 | 276 | 411 | 503 | 317 | ... | ... | ... |
| | U | 186 | 227 | 247 | 296 | 364 | 509 | 534 | 526 | 608 | 654 | ... | ... | ... |
| Viet-Nam (Saigon) | L | 48 | 30 | 55 | 56 | 66 | 22 | 21 | 18 | 26 | ... | ... | ... | ... |
| | U | 155 | 174 | 215 | 235 | 396 | 493 | 538 | 556 | 599 | ... | ... | ... | ... |
| Australia[g] | L | 1,252 | 1,542 | 1,392 | 1,777 | 1,841 | 1,957 | 2,426 | 2,724 | 3,084 | 3,186 | ... | ... | ... |
| | U | 1,676 | 1,638 | 1,841 | 1,983 | 2,216 | 2,278 | 2,615 | 2,469 | 2,553 | 2,338 | ... | ... | ... |
| Japan[h] | L | 1,284 | 1,572 | 1,530 | 1,838 | 1,896 | 2,084 | 2,176 | 2,287 | 1,705 | 2,550 | 2,302 | 2,270 | 2,384 |
| | U | 9,877 | 10,262 | 11,580 | 14,361 | 16,557 | 18,610 | 18,737 | 20,783 | 23,430 | 23,905 | 22,810 | 25,930 | 23,352 |
| New Zealand | L | 170 | 176 | 181 | 222 | 219 | 227 | 204 | 208 | 401 | 249 | 242 | 246 | 238 |
| | U | 493 | 443 | 489 | 615 | 614 | 677 | 731 | 698 | 762 | 579 | 566 | 625 | 624 |
| Entrances (E) and clearances (C) of vessels with cargo in external trade *(thousand net registered tons)* | | | | | | | | | | | | | | |
| India‡ | E | 1,309 | 1,343 | 1,316 | 1,366 | 1,333 | *1,468* | 1,486 | 1,534 | 1,568 | 1,343 | 1,431 | 1,422 | 1,428 |
| | C | 1,012 | 951 | 908 | 1,090 | 1,016 | *1,045* | 908 | 1,172 | 1,334 | 1,169 | 964 | 1,163 | 1,205 |
| CIVIL AVIATION[i] | | | | | | | | | | | | | | |
| Passenger-kilometres *(million)* | | | | | | | | | | | | | | |
| Burma | | 5.75 | 5.38 | 4.87 | 5.03 | 5.85 | 5.29 | 4.58 | 5.69 | 5.76 | 6.73 | 5.04 | 6.98 | 7.20 |
| Ceylon | | 3.48 | 3.23 | 4.83 | 4.29 | 5.68 | 8.37 | 9.50 | 8.08 | 6.60 | 8.54 | 11.41 | ... | ... |
| China (Taiwan) | | 6.51 | 8.94 | 10.44 | 12.77 | 14.70 | 15.99 | 14.83 | 18.50 | 17.28 | 22.20 | *24.64* | ... | ... |
| India | | 106.06 | 121.78 | 140.78 | 165.79 | 171.50 | 179.18 | 204.25 | 192.03 | 187.42 | 212.86 | 225.36 | ... | ... |
| Indonesia | | 22.68 | 25.23 | 27.35 | 39.26 | 44.56 | 42.46 | 52.20 | 49.79 | 37.44 | 41.07 | ... | ... | ... |
| Iran[f] | | 3.22 | 1.45 | 1.01 | 1.48 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Pakistan | | 41.40 | 53.50 | 59.19 | 71.19 | 76.96 | 91.11 | 95.99 | 107.28 | 107.64 | 107.85 | 113.33 | 121.42 | 118.98 |
| Philippines | | 23.14 | 32.35 | 43.97 | 50.53 | 60.74 | 81.13 | ... | ... | ... | ... | ... | ... | ... |
| Thailand | | 9.80 | 11.14 | 13.66 | 15.83 | 16.92 | 26.21 | 25.56 | 31.67 | 29.13 | 32.83 | 29.75 | 33.60 | 35.28 |
| Viet-Nam, Republic of | | 3.86 | 6.46 | 8.04 | 10.32 | 20.11 | 20.23 | 20.00 | 19.22 | 25.27 | 29.82 | 35.28 | 34.85 | ... |
| Australia | | 255.13 | 282.27 | 324.34 | 385.87 | 459.86 | 467.80 | 528.26 | 468.52 | 497.35 | 507.95 | ... | ... | ... |
| Japan[j] | | 139.98 | 186.65 | 260.63 | 333.08 | 382.80 | 447.59 | 385.14 | 334.36 | *321.59* | 416.54 | 482.61 | 490.60 | ... |
| New Zealand | | 51.22 | 46.14 | 52.00 | 60.72 | 74.45 | 92.09 | 81.60 | 111.94 | 106.07 | 90.21 | 89.55 | 78.93 | ... |
| Freight ton-kilometres *(thousand)* | | | | | | | | | | | | | | |
| Afghanistan | | 502 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Burma | | 97 | 106 | 104 | 111 | 130 | 95 | 104 | 101 | 72 | 105 | 127 | 114 | 120 |
| Ceylon | | 126 | 100 | 134 | 139 | 135 | 169 | 153 | 207 | 219 | 155 | 193 | ... | ... |
| China (Taiwan) | | 136 | 137 | 152 | 156 | 171 | 172 | 180 | 194 | 199 | 303 | *342* | ... | ... |
| India | | 4,725 | 5,135 | 5,723 | 6,262 | 6,335 | 6,386 | 6,507 | 7,745 | 6,998 | 7,210 | 7,768 | ... | ... |
| Indonesia | | 412 | 475 | 543 | 704 | 880 | 897 | 971 | 1,130 | 1,054 | 1,110 | ... | ... | ... |
| Iran | | 319 | 92 | 25 | 21 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Pakistan | | 1,760 | 2,392 | 2,654 | 3,129 | 2,813 | 3,451 | 3,523 | 4,070 | 4,316 | 4,285 | 4,701 | 5,882 | 5,437 |
| Philippines | | 349 | 447 | 662 | 875 | 1,152 | 1,398 | ... | ... | ... | ... | ... | ... | ... |
| Thailand | | 175 | 180 | 206 | 170 | 246 | 294 | 330 | 332 | 368 | 378 | 328 | 375 | 367 |
| Viet-Nam, Republic of | | 44 | 59 | 73 | 93 | 223 | 227 | 225 | 222 | 238 | 235 | 295 | 331 | ... |
| Australia | | 8,476 | 9,499 | 10,219 | 11,999 | 14,702 | 15,137 | 16,573 | 13,819 | 15,562 | 14,138 | ... | ... | ... |
| Japan[j] | | 3,222 | 3,788 | 4,650 | 5,812 | 9,528 | 13,136 | 12,067 | 13,117 | *12,667* | 13,505 | 14,557 | 16,269 | ... |
| New Zealand | | 1,364 | 1,234 | 1,192 | 1,358 | 1,619 | 1,911 | 1,964 | 2,297 | 1,946 | 1,756 | 1,726 | 1,708 | ... |

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a. Railway traffic coverage: *China (Taiwan)*, Taiwan Railway Administration; *India and Pakistan*, class 1 railways; *Philippines*, Manila Railroad Company.
b. Including Singapore.
c. Including service traffic.
d. Port of Phnom Pehn only.
e. Including transhipments.
f. Excluding re-exports, transit traffic and packing.
g. Caspian Sea traffic included. Including imports and exports other than by sea.
h. Excluding military and charity goods and transit traffic, including imports and exports by air and parcel post.
i. Scheduled domestic and international routes.
j. Beginning 1965, JAL only.

## 19. VALUE OF EXPORTS AND IMPORTS AND BALANCE OF TRADE

*Monthly averages or calendar months*

| | | Exports | Imports | Balance | Exports | Imports | Balance | Exports | Imports | Balance | Exports | Imports | Balance | Exports | Imports | Balance | Exports | Imports | Balance |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **AFGHANISTAN*** *(Mn Afghanis)* | | | **BRUNEI** *(Mn Malaysian dollars)* | | | **BURMA** *(Mn kyats)* | | | **CAMBODIA** *(Mn riels)* | | | **CEYLON** *(Mn rupees)* | | | **CHINA (Taiwan)** *(Mn NT dollars)* | | |
| | | | | | | | | | | | | | | | | | | | A.I.D. imports |
| 1961 | | 185 | 344 | —159 | 19.6 | 4.1 | +15.5 | 88 | 86 | + 2 | 185 | 283 | — 98 | 144 | 142 | + 2 | 651 | 1,075 | 379 |
| 1962 | | 247 | 487 | —240 | 16.6 | 4.1 | +12.5 | 105 | 87 | + 18 | 159 | 299 | —140 | 151 | 138 | + 13 | 728 | 1,014 | 252 |
| 1963 | | 288 | 525 | —237 | 15.2 | 5.3 | + 9.9 | 107 | 93 | + 14 | 260 | 313 | — 53 | 144 | 125 | + 19 | 1,107 | 1,207 | 264 |
| 1964 | | 346 | 692 | —346 | 15.6 | 8.0 | + 7.6 | 94 | 108 | — 14 | 281 | 239 | + 42 | 98 | 165 | — 67 | 1,447 | 1,430 | 151 |
| 1965 | | 419 | 784 | —365 | 16.6 | 9.2 | + 7.4 | 89 | 98 | — 9 | 308 | 300 | + 8 | 162 | 123[a] | + 39 | 1,499 | 1,858 | 212 |
| 1966 | | 433 | 939 | —506 | 18.8 | 12.5 | + 6.3 | 75 | 63 | + 12 | 196 | 324 | —128 | 142 | 169 | — 27 | 1,788 | 2,080 | 90 |
| 1966 | III | ... | ... | ... | 19.0 | 12.2 | + 6.8 | 95 | 87 | + 8 | 217 | 296 | — 79 | 143 | 180 | — 37 | 1,910 | 1,994 | 13 |
| | IV | ... | ... | ... | 19.6 | 12.4 | + 7.2 | 52 | 61 | — 9 | 225 | 293 | — 68 | 116 | 168 | — 52 | 1,918 | 2,568 | 121 |
| 1967 | I | ... | ... | ... | 19.7 | 11.6 | + 8.1 | 70 | 47 | + 23 | 160 | 291 | —131 | 144 | 157 | — 13 | 1,995 | 2,305 | 195 |
| | II | ... | ... | ... | ... | ... | ... | 48 | 56 | — 8 | 296 | 283 | + 13 | 133 | 160 | — 27 | 2,390 | 2,703 | 165 |
| | III | ... | ... | ... | ... | ... | ... | 48 | 61 | — 13 | 358 | 282 | + 76 | 151 | 140 | + 11 | 2,123 | 2,689 | 126 |
| | Oct | ... | ... | ... | ... | ... | ... | 36 | 76 | — 40 | 218 | 254 | — 36 | 120 | 136 | — 16 | ... | ... | ... |
| | Nov | ... | ... | ... | ... | ... | ... | 34 | 70 | — 36 | ... | ... | ... | 126 | 109 | + 17 | ... | ... | ... |
| | | **HONG KONG** *(Mn HK dollars)* | | | **INDIA**[b] *(Mn rupees)* | | | **INDONESIA**[c] *(Mn rupiahs)* | | | **IRAN***[d] *(billion rials)* | | | **KOREA, Republic of** *(Mn US dollars)* | | | **LAOS**[e] *(Mn kips)* | | |
| | | | | Exports, domestic | | | | | | | | | | | | | | | |
| 1961 | | 328 | 498 | 245 | 550 | 904 | —354 | 657 | 664 | — 7 | 5.50 | 3.84 | +1.66 | 3.4 | 26.3 | —22.9 | 4.1 | 110.6 | —106.5 |
| 1962 | | 366 | 555 | 276 | 557 | 937 | —380 | 553 | 539 | + 14 | 5.79 | 3.48 | +2.31 | 4.6 | 35.2 | —30.6 | 5.2 | 160.8 | —155.6 |
| 1963 | | 416 | 618 | 319 | 645 | 983 | —338 | 580 | 419 | +161 | 5.81 | 3,27 | +2.54 | 7.2 | 46.7 | —39.5 | 4.8 | 193.6 | —188.8 |
| 1964 | | 482 | 713 | 369 | 677 | 1,141 | —464 | 604 | 576 | + 28 | 7.91 | 4.22 | +3.69 | 9.9 | 33.7 | —23.8 | 17.7 | 510.3 | —492.6 |
| 1965 | | 544 | 747 | 419 | 670 | 1,155 | —485 | 590 | 598 | — 8 | 8,23 | 5.43 | +2.80 | 14.6 | 38.6 | —24.0 | 20.0 | 657.8 | —637.8 |
| 1966 | | 630 | 841 | 477 | 1,004 | 1,764 | —760 | 566 | 477 | + 89 | 8,26 | 5.87 | +2.39 | 20.9 | 59.7 | —38.8 | ... | 861.1 | ... |
| 1966 | III | 673 | 916 | 514 | 937 | 1,721 | —784 | 529 | 430 | + 99 | 8.41 | 5.81 | +2.60 | 21.1 | 53.2 | —32.1 | 26.2 | 785.3 | —759.1 |
| | IV | 720 | 922 | 541 | 1,020 | 1,597 | —577 | 612 | 673 | — 61 | 6.79 | 5.96 | +0.83 | 23.2 | 85.6 | —62.4 | ... | 1,033.7 | ... |
| 1967 | I | 690 | 946 | 493 | 1,027 | 1,854 | —827 | 503 | 570 | — 67 | 10.02 | 7.43 | +2.59 | 20.3 | 66.4 | —46.1 | ... | ... | ... |
| | II | 697 | 875 | 515 | 898 | 1,748 | —850 | 533 | 387 | +146 | 6.76 | 6.25 | +0.51 | 26.2 | 70.6 | —44.4 | ... | ... | ... |
| | III | 704 | 693 | 559 | 1,010 | 1,638 | —628 | 550 | ... | ... | 15.77 | 7.10 | +8.67 | 25.8 | 81.0 | —55.2 | ... | ... | ... |
| | Oct | 773 | 821 | 621 | 1,208 | 1,359 | —151 | ... | ... | ... | 4.58 | 8.20 | —3.62 | 32.8 | 95.2 | —62.4 | ... | ... | ... |
| | Nov | 778 | 1,038 | 618 | 1,035 | 1,686 | —651 | ... | ... | ... | 15.27 | 6.92 | +8.35 | 28.5 | 92.8 | —64.3 | ... | ... | ... |
| | | **MALAYSIA** *(Mn Malaysian dollars)* | | | | | | | | | **PAKISTAN** *(Mn rupees)* | | | **PHILIPPINES** *(Mn US dollars)* | | | **SINGAPORE**[f] *(Mn Singapore dollars)* | | |
| | | **EAST** | | | | | | **WEST** | | | | | | | | | | | |
| | | **SABAH** | | | **SARAWAK** | | | | | | | | | | | | | | |
| 1961 | | 18.4 | 17.9 | + 0.5 | 33.1 | 31.9 | + 1.2 | 219 | 186 | + 33 | 159 | 254 | — 95 | 44.3 | 56.5 | --12.2 | 276 | 330 | — 54 |
| 1962 | | 19.6 | 19.8 | — 0.2 | 33.9 | 33.1 | + 0.8 | 218 | 204 | + 14 | 158 | 293 | —135 | 46.8 | 54.6 | — 7.8 | 285 | 336 | — 51 |
| 1963 | | 22.9 | 25.4 | — 2.5 | 31.2 | 32.8 | — 1.6 | 225 | 210 | + 15 | 165 | 353 | —188 | 60.6 | 57.2 | + 3.4 | 290 | 357 | — 67 |
| 1964 | | 21.7 | 25.2 | — 3.5 | 31.8 | 35.6 | — 3.8 | 231 | 210 | + 21 | 196 | 396 | —200 | 64.2 | 72.4 | — 8.2 | 231 | 290 | — 59 |
| 1965 | | 25.4 | 27.9 | — 2.5 | 36.1 | 40.4 | — 4.3 | 258 | 217 | + 41 | 210 | 414 | —204 | 66.2 | 74.5 | — 8.3 | 250 | 317 | — 67 |
| 1966 | | 29.9 | 28.5 | + 1.4 | 38.6 | 43.8 | — 5.2 | 259 | 219 | + 40 | 238 | 357 | —119 | 71.8 | 78.6 | — 6.8 | 281 | 339 | — 58 |
| 1966 | III | 37.8 | 24.2 | +13.6 | 41.7 | 44.8 | — 3.1 | 277 | 227 | + 50 | 187 | 363 | —176 | 71.3 | 83.3 | —12.0 | 289 | 347 | — 58 |
| | IV | 32.5 | 34.9 | — 2.4 | 38.4 | 45.8 | — 7.4 | 252 | 228 | + 24 | 284 | 400 | —116 | 62.0 | 87.0 | —25.0 | 293 | 349 | — 56 |
| 1967 | I | 29.0 | 26.1 | + 2.9 | 38.0 | 43.5 | — 5.5 | 240 | 214 | + 26 | 253 | 445 | —192 | 63.3 | 86.7 | —23.4 | 275 | 350 | — 75 |
| | II | 33.1 | 29.2 | + 3.9 | 45.6 | 44.9 | + 0.7 | 246 | 223 | + 23 | 278 | 523 | —245 | 70.0 | 102.7 | —32.7 | 285 | 382 | — 96 |
| | III | 39.5 | 28.3 | +11.2 | 42.5 | 45.1 | — 2.6 | 255 | 215 | + 40 | 199 | 398 | —199 | 62.0 | 104.3 | —42.3 | 308 | 360 | — 52 |
| | Oct | 34.3 | 26.1 | + 8.2 | ... | ... | ... | 254 | 201 | + 53 | 197 | 429 | —232 | ... | ... | ... | 310 | 392 | — 82 |
| | Nov | 31.9 | 28.6 | + 3.3 | ... | ... | ... | ... | ... | ... | 245 | 388 | —143 | ... | ... | ... | 288 | 379 | — 91 |
| | | **THAILAND** *(Mn baht)* | | | **VIET-NAM, Republic of**[g] *(Mn piastres)* | | | **WESTERN SAMOA**[h] *(1,000 £WS)* | | | **AUSTRALIA**[i] *(Mn Australian dollars)* | | | **JAPAN** *(Billion yen)* | | | **NEW ZEALAND**[j] *(Mn $NZ)* | | |
| 1961 | | 833 | 857 | — 24 | 207 | 744 | —537 | 164 | 211 | — 47 | 152.9 | 178.9 | —26.0 | 127.1 | 174.3 | —47.2 | 47.2 | 53.7 | — 6.5 |
| 1962 | | 794 | 959 | —165 | 165 | 772 | —607 | 234 | 238 | — 4 | 175.0 | 144.9 | +30.1 | 147.5 | 169.1 | —21.6 | 47.8 | 45.1 | + 2.7 |
| 1963 | | 806 | 1,067 | —261 | 224 | 835 | —611 | 217 | 251 | — 34 | 175.2 | 177.4 | — 2.2 | 163.6 | 202.1 | —38.5 | 55.3 | 54.2 | + 1.1 |
| 1964 | | 1,028 | 1,188 | —160 | 141 | 868 | —727 | 210 | 295 | — 85 | 227.1 | 194.1 | +33.0 | 200.2 | 238.1 | —37.9 | 64.5 | 58.5 | + 6.0 |
| 1965 | | 1,078 | 1,286 | —208 | 104 | 1,042 | —938 | 174 | 274 | —100 | 214.9 | 236.8 | —21.9 | 253.6 | 245.1 | + 8.5 | 60.3 | 63.1 | — 2.8 |
| 1966 | | 1,175 | 1,542 | —367 | 159 | 2,959 | —2,800 | 137 | 239 | —102 | 219.5 | 241.5 | —22.0 | 293.3 | 285.7 | + 7.6 | 65.0 | 65.6 | — 0.6 |
| 1966 | III | 969 | 1,562 | —593 | 142 | 3,129 | —2,987 | 70 | 256 | —186 | 233.2 | 257.3 | —24.1 | 302.8 | 280.0 | +22.8 | 54.5 | 68.1 | —13.6 |
| | IV | 1,163 | 1,707 | —544 | 229 | 4,026 | —3,797 | 189 | 244 | — 55 | 236.2 | 230.7 | + 5.5 | 338.4 | 306.7 | +31.7 | 50.7 | 64.5 | —13.8 |
| 1967 | I | 1,494 | 1,736 | —242 | 151 | 4,017 | —3,866 | 90 | 207 | —117 | 247.9 | 251.1 | — 3.2 | 273.5 | 326.4 | —52.9 | 72.4 | 64.7 | + 7.7 |
| | II | ... | ... | ... | 95 | 4,494 | —4,399 | 150 | 280 | —130 | 264.6 | 263.5 | + 1.1 | 305.5 | 358.0 | —52.5 | 64.3 | 63.8 | + 0.5 |
| | III | ... | ... | ... | 86 | 3,080 | —2,994 | 153 | 217 | — 64 | 238.0 | 271.2 | —33.2 | 327.4 | 339.5 | —12.1 | 48.7 | 57.4 | — 8.7 |
| | Oct | ... | ... | ... | 138 | 2,963 | —2,825 | ... | ... | ... | 257.0 | 262.6 | — 5.6 | 340.6 | 364.8 | —24.2 | 43.5 | 46.5 | — 3.0 |
| | Nov | ... | ... | ... | 99 | 2,210 | —2,111 | ... | ... | ... | 278.0 | 264.4 | +13.6 | 305.6 | 370.1 | —64.5 | 68.1 | 47.1 | +21.0 |

General Notes: Special trade system for Brunei, Cambodia, China (Taiwan), Indonesia, Iran, Laos, Republic of Korea, Malaysia (East) and the Republic of Viet-Nam; general trade for other countries. Figures on imports include aid unless otherwise specified, all external trade statistics are based on national customs returns.

a. The sharp fall in 1965 should be interpreted with due reservation. For details see page 134, Central Bank of Ceylon *Annual Report*, 1965.

b. The trade for the period January-May 1966 has been revalued at the new rate of 7.50 rupees per US$ introduced in June 1966 (prior to 1966: the trade is valued at the rate of 4.76 rupees per US$). The data for 1966 and 1967 are preliminary and exclude important amount of food grains imported on government account.

c. Data 1961-1965 are converted from old rupiah into US$ at the rate of 45 rupiah per US$, and are again converted into new rupiah at the rate of 10 new rupiah per US$.

d. From 21 March 1956, the data shown in national currency are suitable for comparison with domestic transactions; including exports of the National Oil Company of Iran. Beginning 1963, twelve months ending 20 December of year stated.

e. Conversion rate of the Kip changed in January 1964 from 80 to 240 per US dollar.

f. Including trade between Singapore and West Malaysia.

g. The trade for the period January-May 1966 has been revalued at the rate of 80 piastres per US$ introduced in June (prior to 1966: the trade is valued at the rate of 35 piastres per US$)

h. Imports valued f.o.b. in the country of export plus 10%.

i. Imports valued f.o.b.

j. Data shown for comparability of the New Zealand dollar introduced 10 July 1967, with a value of 0.5 New Zealand £.

## 20. DIRECTION OF INTERNATIONAL TRADE

*Quarterly averages or quarters*

*Million dollars*

| Reporting countries / orts to or orts from | Year and Quarter | BRUNEI | | BURMA | | CAMBODIA | | CEYLON | | CHINA (Taiwan) | | HONG KONG | | INDIA[a] | | INDONESIA | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. |
| 1. | 1960 | 20.9 | 4.5 | 55.5 | 64.6 | 17.5 | 23.8 | 93.2 | 102.9 | 41.2 | 73.9 | 171.7 | 255.8 | 333.1 | 530.9 | 209.9 | 143.4 |
| countries | 1961 | 19.2 | 4.0 | 54.9 | 53.2 | 15.9 | 24.3 | 88.3 | 89.3 | 48.8 | 80.3 | 170.7 | 260.2 | 352.7 | 501.5 | 195.7 | 198.2 |
| | 1962 | 16.3 | 4.0 | 64.4 | 54.2 | 13.6 | 25.6 | 92.7 | 86.9 | 53.5 | 74.5 | 191.7 | 290.8 | 353.7 | 557.7 | 177.6 | 183.9 |
| | 1963 | 15.0 | 5.4 | 67.2 | 58.2 | 22.3 | 26.9 | 89.6 | 79.4 | 81.8 | 89.0 | 218.0 | 324.0 | 405.1 | 514.3 | 154.1 | 131.8 |
| | 1964 | *15.3* | *8.3* | 59.5 | 67.5 | 21.8 | 20.5 | 96.5 | 104.2 | 107.6 | 106.3 | 253.2 | 374.0 | 432.9 | 567.7 | 167.9 | 142.4 |
| | 1965 | *16.3* | *9.3* | 56.2 | 61.8 | 26.3 | 25.8 | 102.4 | 77.5 | 112.4 | 139.2 | 285.7 | 392.3 | 421.5 | 704.7 | . . . | . . . |
| | 1966 | *18.4* | *12.8* | 47.2 | 39.5 | *16.8* | *27.8* | 88.0 | 106.5 | 132.8 | 154.0 | 330.8 | 441.6 | 400.9 | 687.0 | . . . | . . . |
| 1966 | IV | . . . | . . . | 32.6 | 37.7 | *19.3* | *23.6* | 71.2 | 105.7 | 140.2 | 191.0 | 377.8 | 483.5 | 407.1 | 612.0 | . . . | . . . |
| 1967 | I | . . . | . . . | 43.6 | 28.6 | 13.7 | 24.8 | 89.3 | 99.2 | 146.6 | 171.1 | 362.5 | 496.5 | 409.5 | 711.0 | . . . | . . . |
| | II | . . . | . . . | . . . | . . . | *25.4* | *24.2* | 82.6 | 100.4 | . . . | . . . | 365.9 | 459.5 | 357.5 | 701.0 | . . . | . . . |
| | III | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | 369.2 | 363.8 | . . . | . . . | . . . | . . . |
| 2. | 1960 | 20.7 | 1.5 | 39.0 | 34.1 | 6.8 | 11.1 | 21.0 | 49.8 | 30.3 | 31.0 | 71.1 | 142.6 | 73.0 | 100.3 | 101.5 | 71.6 |
| AFE | 1961 | 19.1 | 1.4 | 40.0 | 27.6 | 5.4 | 10.8 | 18.4 | 42.2 | 30.8 | 31.9 | 72.0 | 134.5 | 73.2 | 83.8 | 100.6 | 83.1 |
| ntries[b] | 1962 | 16.1 | 1.5 | 40.2 | 29.2 | 4.9 | 11.8 | 21.1 | 42.7 | 33.1 | 32.2 | 68.8 | 156.6 | 66.7 | 100.8 | 63.0 | 67.5 |
| | 1963 | 14.9 | 1.9 | 44.1 | 31.7 | 6.6 | 12.5 | 18.9 | 35.8 | 56.5 | 35.9 | 73.8 | 182.9 | 86.9 | 90.0 | 63.4 | 43.8 |
| | 1964 | *15.1* | *3.4* | 37.9 | 31.6 | 9.7 | 11.1 | 21.3 | 51.0 | 71.1 | 49.5 | 82.7 | 222.4 | 94.0 | 87.8 | 69.0 | 76.6 |
| | 1965 | *16.3* | *4.0* | 38.2 | 36.5 | 11.8 | 11.9 | 23.6 | 34.2 | 68.7 | 68.8 | 86.3 | 230.1 | 83.7 | 114.6 | . . . | . . . |
| | 1966 | *18.4* | *5.4* | 30.8 | 19.4 | *7.7* | *12.5* | 21.2 | 51.2 | 80.7 | 81.2 | 102.2 | 265.8 | 82.4 | 114.8 | . . . | . . . |
| 1966 | IV | . . . | . . . | 20.5 | 13.5 | *9.2* | *10.2* | 21.8 | 48.8 | 88.2 | 103.3 | 127.4 | 293.7 | 81.1 | 113.5 | . . . | . . . |
| 1967 | I | . . . | . . . | 25.8 | 10.2 | *6.4* | *10.3* | 21.8 | 45.0 | 74.7 | 85.7 | 127.2 | 298.5 | 96.4 | 110.4 | . . . | . . . |
| | II | . . . | . . . | . . . | . . . | *17.8* | *10.5* | 20.6 | 40.4 | . . . | . . . | 117.4 | 270.3 | 86.3 | 94.0 | . . . | . . . |
| | III | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | 106.1 | 196.2 | . . . | . . . | . . . | . . . |
| 3. | 1960 | 20.6 | 1.1 | 36.1 | 17.9 | 5.6 | 7.0 | 10.0 | 35.7 | 14.8 | 3.9 | 54.2 | 95.0 | 39.6 | 59.3 | 84.9 | 46.3 |
| eloping | 1961 | 19.1 | 1.0 | 37.8 | 14.7 | 5.0 | 7.4 | 8.4 | 29.5 | 16.5 | 5.5 | 56.4 | 89.8 | 39.5 | 44.0 | 74.7 | 44.0 |
| AFE | 1962 | 16.1 | 1.2 | 37.0 | 14.5 | 4.6 | 7.9 | 12.4 | 28.0 | 19.9 | 4.8 | 52.2 | 99.7 | 36.4 | 60.5 | 36.8 | 41.8 |
| ntries | 1963 | 14.9 | 1.4 | 40.2 | 13.8 | 6.1 | 6.9 | 9.8 | 26.2 | 29.4 | 7.3 | 52.2 | 119.8 | 45.2 | 49.5 | 36.1 | 29.8 |
| | 1964 | *15.1* | *2.6* | 33.9 | 19.0 | 8.8 | 6.8 | 13.0 | 37.4 | 36.3 | 9.9 | 59.9 | 144.0 | 47.5 | 43.7 | 22.7 | 40.4 |
| | 1965 | *16.2* | *2.9* | 32.7 | 16.7 | 10.5 | 7.5 | 14.1 | 23.2 | 32.4 | 9.8 | 58.5 | 153.1 | 41.3 | 58.3 | . . . | . . . |
| | 1966 | *18.3* | *3.8* | 27.5 | 8.6 | *6.4* | *8.6* | 13.3 | 39.2 | 46.8 | 12.5 | 72.7 | 175.6 | 36.8 | 64.4 | . . . | . . . |
| 1966 | IV | . . . | . . . | 18.1 | 5.6 | *6.8* | *5.8* | 15.9 | 38.6 | 59.0 | 17.2 | 95.0 | 187.3 | 35.8 | 73.4 | . . . | . . . |
| 1967 | I | . . . | . . . | 24.5 | 5.0 | 5.6 | 7.6 | 12.7 | 34.0 | 56.6 | 13.5 | 93.4 | 196.3 | 35.2 | 45.3 | . . . | . . . |
| | II | . . . | . . . | . . . | . . . | *17.2* | *6.5* | 12.0 | 27.3 | . . . | . . . | 81.3 | 167.5 | 29.1 | 45.6 | . . . | . . . |
| | III | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | 72.7 | 113.9 | . . . | . . . | . . . | . . . |
| 4. | 1960 | 0.1 | 2.0 | 10.1 | 19.0 | 6.4 | 8.6 | 36.9 | 35.5 | 2.3 | 8.2 | 38.4 | 59.7 | 127.7 | 221.0 | 45.9 | 41.7 |
| stern | 1961 | — | 1.8 | 9.3 | 15.6 | 6.9 | 8.0 | 34.7 | 29.5 | 3.8 | 7.2 | 39.5 | 67.4 | 126.6 | 221.7 | 33.6 | 58.4 |
| ope | 1962 | — | 1.7 | 12.5 | 16.2 | 5.8 | 7.6 | 37.1 | 28.4 | 4.3 | 5.6 | 49.8 | 71.7 | 122.4 | 194.7 | 48.0 | 44.4 |
| luding | 1963 | — | 2.3 | 13.6 | 14.9 | 8.0 | 8.5 | 36.1 | 25.5 | 6.8 | 6.0 | 63.3 | 77.5 | 138.2 | 175.3 | 53.9 | 32.1 |
| | 1964 | — | *3.8* | 11.7 | 19.6 | 6.1 | 6.0 | 37.9 | 30.4 | 7.8 | 8.7 | 75.7 | 80.0 | 136.5 | 180.1 | 50.2 | 37.2 |
| | 1965 | — | *3.5* | 10.5 | 14.8 | 7.4 | 9.3 | 37.7 | 24.8 | 11.4 | 11.4 | 78.9 | 88.1 | 123.7 | 217.7 | . . . | . . . |
| | 1966 | *0.1* | *5.7* | 10.4 | 11.9 | *4.8* | *11.3* | 30.6 | 30.8 | 12.8 | 13.6 | 90.9 | 91.5 | 113.0 | 177.5 | . . . | . . . |
| 1966 | IV | . . . | . . . | 7.1 | 16.2 | *6.2* | *10.6* | 21.4 | 30.6 | 12.3 | 15.1 | 90.1 | 95.1 | 128.4 | 163.6 | . . . | . . . |
| 1967 | I | . . . | . . . | 11.8 | 11.4 | 4.2 | 11.5 | 32.4 | 33.8 | 23.1 | 18.1 | 92.4 | 107.0 | 112.8 | 194.3 | . . . | . . . |
| | II | . . . | . . . | . . . | . . . | *2.8* | *11.4* | 33.1 | 36.0 | . . . | . . . | 94.5 | 99.9 | 90.7 | 182.5 | . . . | . . . |
| | III | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | 98.4 | 80.0 | . . . | . . . | . . . | . . . |
| 5. | 1960 | — | 1.7 | 5.1 | 9.4 | 1.1 | 0.5 | 26.4 | 22.8 | 0.7 | 1.1 | 26.6 | 29.1 | 91.6 | 105.8 | 22.9 | 11.8 |
| ed | 1961 | — | 1.5 | 6.0 | 8.5 | 1.6 | 0.9 | 25.8 | 19.0 | 1.4 | 1.3 | 26.6 | 33.1 | 86.7 | 102.6 | 12.7 | 12.6 |
| gdom | 1962 | — | 1.4 | 6.3 | 8.2 | 1.5 | 0.7 | 27.9 | 18.0 | 0.8 | 0.7 | 32.3 | 33.2 | 83.3 | 93.9 | 32.9 | 15.4 |
| | 1963 | — | 1.7 | 6.6 | 8.0 | 0.5 | 1.0 | 27.3 | 15.8 | 1.1 | 1.0 | 39.7 | 37.6 | 90.8 | 85.1 | 38.6 | 10.9 |
| | 1964 | — | *2.8* | 5.4 | 6.4 | 0.3 | 0.9 | 27.9 | 16.9 | 0.6 | 1.5 | 44.8 | 36.7 | 89.7 | 80.0 | 4.9 | 6.1 |
| | 1965 | — | *2.7* | 3.2 | 5.5 | 0.5 | 1.3 | 26.5 | 13.9 | 0.8 | 2.2 | 39.7 | 42.1 | 77.9 | 82.6 | . . . | . . . |
| | 1966 | — | *3.8* | 3.2 | 4.9 | *0.4* | *1.1* | 21.8 | 17.9 | 1.1 | 2.5 | 44.5 | 44.2 | 66.9 | 58.5 | . . . | . . . |
| 1966 | IV | . . . | . . . | 3.2 | 5.6 | *0.8* | *1.2* | 13.9 | 18.1 | 1.5 | 2.5 | 45.6 | 46.5 | 80.3 | 46.8 | . . . | . . . |
| 1967 | I | . . . | . . . | 3.1 | 4.4 | 0.5 | 1.4 | 24.5 | 17.0 | 0.9 | 2.9 | 45.4 | 50.5 | 71.2 | 61.3 | . . . | . . . |
| | II | . . . | . . . | . . . | . . . | *0.4* | *1.2* | 24.9 | 14.0 | . . . | . . . | 49.0 | 45.2 | 53.8 | 60.4 | . . . | . . . |
| | III | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | 50.4 | 36.3 | . . . | . . . | . . . | . . . |
| 6. | 1960 | — | 0.1 | 2.1 | 3.6 | 1.4 | 1.3 | 3.1 | 1.4 | — | — | — | 0.8 | 23.8 | 17.8 | 8.8 | 3.8 |
| R | 1961 | — | 0.1 | 1.7 | 2.5 | 0.6 | 1.7 | 4.1 | 2.5 | — | — | — | 0.9 | 29.6 | 31.0 | 10.7 | 9.0 |
| | 1962 | — | 0.2 | 4.2 | 3.2 | 1.0 | 2.0 | 4.2 | 4.5 | — | — | — | 1.3 | 41.9 | 53.3 | 11.6 | 42.7 |
| ern | 1963 | — | 0.2 | 4.6 | 5.2 | 3.0 | 2.3 | 5.1 | 7.0 | — | — | 0.1 | 2.0 | 49.4 | 72.5 | 9.8 | 9.4 |
| ope | 1964 | — | — | 7.0 | 4.5 | 1.8 | 2.2 | 7.7 | 8.4 | — | — | 0.1 | 1.1 | 66.4 | 65.6 | 2.4 | 8.2 |
| | 1965 | — | *0.1* | 4.4 | 5.6 | 2.0 | 3.7 | 8.1 | 8.4 | — | — | — | 1.1 | 72.5 | 72.8 | . . . | . . . |
| | 1966 | — | *0.1* | 1.3 | 3.6 | *1.2* | *3.2* | 7.1 | 10.4 | — | — | — | 1.2 | 73.4 | 70.5 | . . . | . . . |
| 1966 | IV | . . . | . . . | 2.0 | 3.4 | *1.2* | *1.7* | 6.9 | 10.8 | — | — | — | 1.9 | 61.5 | 62.8 | . . . | . . . |
| 1967 | I | . . . | . . . | 2.1 | 4.0 | — | 1.9 | 7.8 | 6.6 | — | — | — | 1.3 | 77.2 | 75.7 | . . . | . . . |
| | II | . . . | . . . | . . . | . . . | *2.4* | *1.2* | 4.9 | 10.0 | . . . | . . . | — | 0.5 | 74.1 | 69.4 | . . . | . . . |
| | III | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | — | 0.8 | . . . | . . . | . . . | . . . |

## 20. DIRECTION OF INTERNATIONAL TRADE *(Cont'd)*

*Quarterly averages or quarters*

*Million dollars*

| Reporting countries / Exports to or Imports from | Year and Quarter | BRUNEI | | BURMA | | CAMBODIA | | CEYLON | | CHINA (Taiwan) | | HONG KONG | | INDIA[a] | | INDONESIA | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. |
| 7. North America | 1960 | — | 0.3 | 0.2 | 2.5 | 1.9 | 2.2 | 13.4 | 4.6 | 5.0 | 28.9 | 40.0 | 37.3 | 65.6 | 136.0 | 49.1 | 23.2 |
| | 1961 | — | 0.2 | 0.3 | 2.5 | 1.9 | 3.3 | 12.8 | 3.7 | 11.3 | 33.6 | 36.7 | 36.9 | 75.7 | 115.2 | 46.9 | 37.0 |
| | 1962 | — | 0.2 | 0.2 | 2.7 | 1.1 | 3.5 | 12.4 | 2.9 | 13.9 | 29.7 | 47.3 | 39.5 | 74.6 | 164.4 | 35.2 | 28.7 |
| | 1963 | — | 0.5 | 0.1 | 4.0 | 1.9 | 2.9 | 11.7 | 3.8 | 15.0 | 38.9 | 51.8 | 39.8 | 82.5 | 155.2 | 25.5 | 46.1 |
| | 1964 | — | *0.9* | 0.2 | 6.7 | 0.8 | 1.0 | 11.5 | 3.2 | 21.9 | 36.8 | 64.6 | 50.2 | 88.8 | 187.1 | 42.9 | 19.7 |
| | 1965 | — | *1.6* | 0.3 | 4.3 | 0.8 | 0.8 | 11.7 | 3.4 | 27.2 | 48.6 | 90.1 | 49.9 | 90.5 | 256.4 | ... | ... |
| | 1966 | — | *1.4* | 0.6 | 4.2 | *0.4* | *0.7* | 10.2 | 5.4 | 33.4 | 45.6 | 107.2 | 53.7 | 88.4 | 284.7 | ... | ... |
| | 1966 IV | ... | ... | 0.2 | 4.5 | *0.5* | *1.1* | 7.5 | 9.0 | 32.9 | 54.5 | 127.9 | 62.8 | 86.4 | 246.4 | ... | ... |
| | 1967 I | ... | ... | 0.4 | 3.0 | 0.6 | 1.0 | 11.6 | 7.0 | 40.8 | 59.8 | 109.0 | 61.9 | 78.1 | 276.1 | ... | ... |
| | II | ... | ... | ... | ... | *0.2* | *1.1* | 13.4 | 7.9 | ... | ... | 121.2 | 66.8 | 73.2 | 300.6 | ... | ... |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 136.7 | 63.0 | ... | ... | ... | ... |
| 8. United States of America | 1960 | — | 0.3 | 0.2 | 2.5 | 1.9 | 2.2 | 8.7 | 3.7 | 4.7 | 28.3 | 33.4 | 31.5 | 53.4 | 126.0 | 48.6 | 22.3 |
| | 1961 | — | 0.2 | 0.3 | 2.1 | 1.1 | 3.3 | 7.8 | 3.1 | 11.0 | 32.7 | 30.7 | 31.9 | 62.0 | 105.5 | 46.6 | 34.1 |
| | 1962 | — | 0.2 | 0.2 | 2.4 | 1.3 | 3.5 | 8.0 | 2.5 | 13.3 | 28.8 | 39.7 | 34.7 | 59.5 | 155.8 | 35.0 | 27.0 |
| | 1963 | — | 0.5 | 0.1 | 3.8 | 1.9 | 2.9 | 7.6 | 3.1 | 13.5 | 37.6 | 44.2 | 34.3 | 68.2 | 143.5 | 24.4 | 43.6 |
| | 1964 | — | *0.9* | 0.2 | 6.4 | 0.6 | 1.0 | 7.8 | 2.8 | 20.3 | 34.8 | 55.7 | 43.0 | 78.1 | 178.1 | 42.4 | 18.6 |
| | 1965 | — | *1.5* | 0.2 | 4.2 | 0.8 | 0.8 | 7.7 | 3.0 | 24.8 | 44.7 | 79.0 | 43.5 | 77.6 | 243.7 | ... | ... |
| | 1966 | — | *1.4* | 0.5 | 4.2 | *0.4* | *0.7* | 7.1 | 4.2 | 29.6 | 41.1 | 93.7 | 47.7 | 77.5 | 257.5 | ... | ... |
| | 1966 IV | ... | ... | 0.1 | 4.4 | *0.5* | *1.1* | 5.1 | 8.0 | 29.6 | 49.5 | 111.7 | 57.0 | 75.3 | 222.4 | ... | ... |
| | 1967 I | ... | ... | 0.2 | 2.9 | 0.6 | 1.0 | 7.9 | 6.3 | 36.6 | 56.3 | 96.0 | 57.2 | 68.2 | 239.1 | ... | ... |
| | II | ... | ... | ... | ... | *0.2* | *0.9* | 6.9 | 5.7 | ... | ... | 105.4 | 61.1 | 63.9 | 266.2 | ... | ... |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 120.3 | 57.1 | ... | ... | ... | ... |
| 9. South America | 1960 | — | — | — | — | — | — | — | — | — | — | 0.9 | 1.2 | 4.8 | 0.4 | 0.1 | 0.3 |
| | 1961 | — | — | — | — | — | — | — | — | — | 0.1 | 1.0 | 3.7 | 3.6 | 0.8 | — | 0.3 |
| | 1962 | — | — | — | — | — | — | — | — | 0.2 | 0.4 | 1.0 | 5.0 | 6 8 | 0.9 | — | — |
| | 1963 | — | — | — | — | — | — | — | — | 0.4 | 0.5 | 0.9 | 3.6 | 6.9 | 0.5 | — | — |
| | 1964 | — | — | — | — | — | — | — | — | 0.5 | 1.1 | 1.2 | 4.3 | 8.1 | 1.9 | 1.0 | 0.1 |
| | 1965 | — | — | — | — | — | — | — | — | — | 1.5 | 2.0 | 4.8 | 4.9 | 1.9 | ... | ... |
| | 1966 | — | — | — | — | — | — | — | — | — | 1.0 | 2.5 | 6.6 | 2.8 | 2.5 | ... | ... |
| | IV | ... | ... | — | — | — | — | — | — | — | 0.8 | 3.6 | 9.2 | 3.5 | 3.7 | ... | ... |
| | 1967 I | ... | ... | — | — | — | — | — | — | — | 0.2 | 1.7 | 4.3 | 2.3 | 1.3 | ... | ... |
| | II | ... | ... | ... | ... | — | — | — | — | ... | ... | 2.5 | 1.8 | 1.0 | 3.9 | ... | ... |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 2.9 | 4.4 | ... | ... | ... | ... |
| 10. Middle East and Africa | 1960 | — | — | 2.5 | 2.0 | — | 0.1 | 5.1 | 2.6 | 2.6 | 5.3 | 13.2 | 10.5 | 35.5 | 55.0 | 0.1 | 2.3 |
| | 1961 | — | — | 2.7 | 1.9 | — | — | 5.3 | 1.3 | 2.0 | 6.2 | 12.4 | 13.1 | 42.0 | 48.7 | — | 9.9 |
| | 1962 | — | — | 4.9 | 1.9 | — | — | 4.9 | 1.6 | 1.0 | 5.1 | 14.2 | 13.0 | 38.3 | 42.9 | — | — |
| | 1963 | — | — | 2.6 | 0.3 | 2.5 | 0.3 | 5.5 | 2.0 | 1.5 | 6.1 | 17.5 | 14.3 | 37.9 | 41.1 | 0.1 | — |
| | 1964 | — | — | 2.3 | 5.1 | 3.4 | 0.1 | 5.9 | 1.4 | 4.0 | 7.6 | 17.1 | 12.4 | 37.9 | 45.0 | 0.7 | 0.4 |
| | 1965 | — | — | 2.6 | 0.3 | 4.2 | — | 5.8 | 1.5 | 3.7 | 7.5 | 20.5 | 15.1 | 45.3 | 39.8 | ... | ... |
| | 1966 | — | — | 2.9 | 0.4 | *2.8* | *0.1* | 4.6 | 1.0 | 4.5 | 12.0 | 19.7 | 20.2 | 40.7 | 36.9 | ... | ... |
| | 1966 IV | ... | ... | 2.1 | 0.1 | *2.1* | — | 3.9 | 1.0 | 5.6 | 16.4 | 22.4 | 18.6 | 45.9 | 22.0 | ... | ... |
| | 1967 I | ... | ... | 3.1 | — | *2.3* | — | 6.3 | 0.9 | 6.0 | 5.6 | 23.5 | 21.2 | 41.8 | 52.4 | ... | ... |
| | II | ... | ... | ... | ... | *2.2* | — | 6.3 | 0.9 | ... | ... | 24.3 | 17.4 | 31.6 | 50.5 | ... | ... |
| | III | ... | ... | ... | ... | *2.0* | — | 5.7 | 2.2 | ... | ... | 17.6 | 15.0 | ... | ... | ... | ... |
| 11. Sterling area | 1960 | 20.7 | 2.8 | 30.2 | 23.0 | 5.8 | 5.6 | 44.4 | 55.2 | 9.9 | 6.8 | 68.9 | 60.5 | 153.2 | 177.9 | 99.0 | 41.8 |
| | 1961 | 19.1 | 2.5 | 28.1 | 20.2 | 5.9 | 6.7 | 44.2 | 49.9 | 10.8 | 8.1 | 69.3 | 63.2 | 150.3 | 157.9 | 82.2 | 49.5 |
| | 1962 | 16.2 | 2.4 | 36.7 | 18.9 | 4.8 | 6.9 | 45.8 | 47.2 | 9.5 | 5.7 | 78.6 | 67.6 | 143.7 | 150.5 | 65.0 | 45.2 |
| | 1963 | 14.9 | 3.0 | 35.9 | 17.6 | 5.6 | 3.1 | 45.7 | 38.6 | 14.2 | 5.9 | 92.6 | 79.4 | 159.6 | 129.1 | 73.6 | 27.3 |
| | 1964 | *15.1* | *4.9* | 26.4 | 22.0 | 6.1 | 3.3 | 47.3 | 49.5 | 18.6 | 9.4 | 98.0 | 83.1 | 153.1 | 123.5 | 30.4 | 34.2 |
| | 1965 | *16.3* | *5.0* | 24.2 | 16.0 | 7.2 | 3.8 | 46.3 | 35.6 | 15.7 | 10.3 | 97.1 | 83.7 | 137.6 | 130.3 | ... | ... |
| | 1966 | *18.4* | *6.9* | 26.9 | 12.2 | *5.0* | *4.4* | 36.1 | 46.0 | 17.3 | 17.2 | 100.6 | 87.6 | 116.7 | 102.7 | ... | ... |
| | 1966 IV | ... | ... | 22.9 | 10.0 | *6.4* | *1.7* | 21.5 | 39.4 | 19.8 | 20.8 | 106.9 | 88.4 | 132.1 | 101.4 | ... | ... |
| | 1967 I | ... | ... | 24.6 | 9.4 | 4.2 | 5.5 | 41.0 | 40.9 | 20.0 | 15.6 | 103.8 | 99.0 | 119.8 | 126.1 | ... | ... |
| | II | ... | ... | ... | ... | *12.5* | *3.7* | 40.9 | 37.9 | ... | ... | 109.7 | 93.6 | 97.9 | 97.9 | ... | ... |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 104.4 | 80.3 | ... | ... | ... | ... |
| 12. ECAFE sterling countries[b] | 1960 | 20.7 | 1.1 | 23.6 | 11.9 | 4.8 | 5.2 | 11.7 | 28.9 | 8.5 | 3.4 | 32.2 | 23.8 | 41.6 | 46.9 | 76.1 | 28.6 |
| | 1961 | 19.1 | 1.0 | 20.2 | 10.3 | 4.3 | 5.8 | 11.9 | 27.5 | 8.8 | 3.9 | 32.1 | 21.5 | 39.4 | 31.8 | 69.5 | 30.0 |
| | 1962 | 16.2 | 1.1 | 25.0 | 8.9 | 3.3 | 6.2 | 12.1 | 26.6 | 8.6 | 3.4 | 34.5 | 25.1 | 38.6 | 40.3 | 32.1 | 29.8 |
| | 1963 | 14.9 | 1.3 | 25.7 | 9.4 | 5.1 | 2.1 | 11.5 | 20.0 | 12.9 | 4.6 | 38.3 | 31.8 | 47.3 | 30.5 | 34.9 | 16.4 |
| | 1964 | *15.1* | *2.1* | 18.9 | 10.9 | 5.8 | 2.5 | 12.9 | 30.0 | 16.6 | 6.7 | 38.3 | 36.6 | 42.5 | 28.2 | 25.0 | 28.1 |
| | 1965 | *16.3* | *2.3* | 18.5 | 10.4 | 6.8 | 2.5 | 12.4 | 19.4 | 13.7 | 7.6 | 40.6 | 33.2 | 36.3 | 34.8 | ... | ... |
| | 1966 | *18.3* | *3.1* | 20.8 | 7.0 | *4.6* | *3.1* | 9.7 | 27.3 | 14.6 | 11.4 | 38.4 | 31.0 | 29.0 | 34.1 | ... | ... |
| | 1966 IV | ... | ... | 16.3 | 4.3 | *5.6* | *0.5* | 10.2 | 24.3 | 16.2 | 13.8 | 39.9 | 30.2 | 28.8 | 45.4 | ... | ... |
| | 1967 I | ... | ... | 19.0 | 5.0 | 3.7 | 4.1 | 9.3 | 22.5 | 18.1 | 10.6 | 38.4 | 35.0 | 29.6 | 47.5 | ... | ... |
| | II | ... | ... | ... | ... | *12.1* | *2.5* | 9.2 | 22.1 | ... | ... | 38.9 | 37.2 | 27.8 | 25.7 | ... | ... |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | 36.3 | 33.3 | ... | ... | ... | ... |

## 20. DIRECTION OF INTERNATIONAL TRADE *(Cont'd)*

*Quarterly averages or quarters*

*Million dollars*

| Reporting countries<br>ts to<br>ts from | Year and Quarter | IRAN | | KOREA, Republic of | | LAOS | | MALAYSIA | | | | | | PAKISTAN | | PHILIPPINES | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | EAST | | | | WEST | | | | | |
| | | | | | | | | SABAH | | SARAWAK | | | | | | | |
| | | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp.$^c$ |
| 1.<br>ountries | 1960 | 224.3 | 139.4 | 7.9 | 71.7 | 4.7 | 7.8 | 18.2 | 16.0 | 39.9 | 36.3 | 187.5 | 161.4 | 98.1 | 161.0 | 134.5 | 140.7 |
| | 1961 | 240.2 | 150.6 | 9.5 | 75.6 | 0.2 | 4.1 | 18.0 | 17.6 | 32.5 | 33.6 | 171.6 | 164.4 | 99.1 | 159.6 | 122.2 | 152.4 |
| | 1962 | 258.2 | 130.5 | 13.7 | 103.8 | 0.2 | 6.1 | 19.2 | 19.5 | 33.3 | 32.7 | 171.9 | 180.9 | 98.3 | 183.6 | 138.6 | 146.7 |
| | 1963 | 283.3 | 130.8 | 21.7 | 140.1 | 0.2 | 7.2 | 22.5 | 24.9 | 30.5 | 32.4 | 176.8 | 187.8 | 103.8 | 221.5 | 181.9 | 154.6 |
| | 1964 | 313.3 | 168.0 | 29.9 | 101.1 | 0.3 | 6.2 | *21.2* | *24.3* | *32.7* | *36.6* | *162.4* | *130.3* | 104.1 | 248.7 | 184.8 | 217.1 |
| | 1965 | 325.6 | 214.9 | 43.7 | 112.4 | 0.3 | 8.2 | *24.9* | *27.5* | *35.4* | *39.6* | *181.1* | *136.4* | 131.7 | 260.5 | 191.8 | 223.8 |
| | 1966 | 327.1 | 238.3 | 62.4 | 184.2 | ... | ... | *29.3* | *28.3* | *37.9* | *42.9* | ... | ... | 149.9 | 224.8 | 195.9 | 234.1 |
| | 1966 IV | 268.0 | 236.2 | 69.9 | 276.9 | ... | ... | ... | ... | ... | ... | ... | ... | 177.9 | 251.9 | 156.1 | 255.7 |
| | 1967 I | ... | ... | 61.1 | 198.8 | ... | ... | ... | ... | ... | ... | ... | ... | 158.3 | 279.9 | 173.1 | 257.0 |
| | II | ... | ... | 78.7 | 212.4 | ... | ... | ... | ... | ... | ... | ... | ... | 173.6 | 328.9 | 193.5 | 294.6 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 2.<br>FE<br>tries$^b$ | 1960 | 47.7 | 21.2 | 6.0 | 22.8 | 4.6 | 1.6 | 14.1 | 9.1 | 33.7 | 29.9 | 49.7 | 92.0 | 33.0 | 39.7 | 36.4 | 46.3 |
| | 1961 | 49.6 | 20.9 | 6.9 | 24.2 | 0.1 | 2.5 | 12.6 | 7.2 | 25.8 | 25.8 | 48.1 | 88.5 | 26.5 | 39.7 | 34.8 | 44.3 |
| | 1962 | 75.7 | 15.8 | 7.7 | 35.9 | 0.1 | 4.1 | 15.8 | 11.1 | 26.3 | 26.2 | 47.7 | 96.3 | 26.2 | 34.7 | 40.1 | 42.0 |
| | 1963 | 85.8 | 17.2 | 10.2 | 53.4 | 0.1 | 4.0 | 19.9 | 14.3 | 25.4 | 25.2 | 49.2 | 103.0 | 34.3 | 40.6 | 56.1 | 48.5 |
| | 1964 | 108.3 | 23.1 | 16.3 | 35.4 | 0.3 | 3.4 | *19.1* | *14.6* | *26.9* | *27.5* | *50.6* | *69.2* | 37.4 | 47.5 | 53.8 | 72.6 |
| | 1965 | 104.4 | 35.5 | 21.2 | 52.7 | 0.2 | 4.6 | *23.3* | *16.5* | *30.8* | *30.3* | *51.3* | *67.9* | 45.9 | 48.2 | 61.6 | 89.2 |
| | 1966 | 116.9 | 35.1 | 25.9 | 94.3 | ... | ... | ... | ... | *32.8* | *34.2* | ... | ... | 43.9 | 49.3 | 74.8 | 97.2 |
| | 1966 IV | 100.9 | 40.9 | 31.4 | 126.7 | ... | ... | ... | ... | ... | ... | ... | ... | 52.5 | 74.5 | 68.5 | 102.0 |
| | 1967 I | ... | ... | 24.8 | 119.2 | ... | ... | ... | ... | ... | ... | ... | ... | 50.6 | 80.2 | 64.8 | 101.4 |
| | II | ... | ... | 30.9 | 116.1 | ... | ... | ... | ... | ... | ... | ... | ... | 52.9 | 73.4 | 83.7 | 107.4 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 3.<br>loping<br>FE<br>tries | 1960 | 33.6 | 11.6 | 0.9 | 6.5 | 4.6 | 1.2 | 5.1 | 7.5 | 18.8 | 28.2 | 14.1 | 69.4 | 23.5 | 22.3 | 3.9 | 11.3 |
| | 1961 | 25.9 | 7.8 | 2.1 | 5.3 | 0.1 | 2.0 | 4.0 | 5.8 | 14.9 | 24.0 | 13.7 | 65.2 | 17.0 | 24.7 | 3.4 | 14.6 |
| | 1962 | 42.4 | 6.4 | 1.8 | 7.0 | 0.1 | 3.4 | 5.7 | 9.0 | 15.7 | 24.3 | 13.5 | 68.8 | 17.4 | 18.6 | 5.7 | 12.1 |
| | 1963 | 43.8 | 7.1 | 4.0 | 10.4 | 0.1 | 3.2 | 7.3 | 11.4 | 17.5 | 23.3 | 11.7 | 70.8 | 21.1 | 26.1 | 5.9 | 17.9 |
| | 1964 | 48.2 | 9.7 | 6.6 | 5.9 | 0.3 | 3.0 | *7.9* | *11.7* | *20.4* | *25.2* | *12.5* | *47.1* | 27.8 | 26.5 | 7.0 | 21.9 |
| | 1965 | 40.8 | 13.3 | 10.1 | 10.2 | 0.2 | 3.9 | *10.1* | *13.7* | *23.5* | *27.4* | *14.0* | *41.0* | 36.3 | 20.5 | 6.6 | 29.3 |
| | 1966 | 39.4 | 13.6 | 9.1 | 18.9 | ... | ... | *9.9* | *14.0* | *22.8* | *31.4* | ... | ... | 32.7 | 23.6 | 9.4 | 20.3 |
| | 1966 IV | 35.9 | 16.7 | 11.6 | 24.4 | ... | ... | ... | ... | ... | ... | ... | ... | 41.4 | 38.9 | 8.4 | 19.8 |
| | 1967 I | ... | ... | 8.3 | 26.2 | ... | ... | ... | ... | ... | ... | ... | ... | 38.6 | 22.6 | 7.4 | 20.4 |
| | II | ... | ... | 8.4 | 19.7 | ... | ... | ... | ... | ... | ... | ... | ... | 39.5 | 36.5 | 11.4 | 18.7 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 4.<br>ern<br>pe<br>ding | 1960 | 116.8 | 76.5 | 1.1 | 15.6 | — | 4.7 | 2.9 | 4.0 | 5.0 | 4.8 | 82.7 | 55.7 | 37.3 | 67.8 | 26.3 | 19.7 |
| | 1961 | 131.7 | 85.4 | 0.8 | 12.7 | — | 0.5 | 2.0 | 3.7 | 5.5 | 6.0 | 66.9 | 62.4 | 38.4 | 67.6 | 20.0 | 25.2 |
| | 1962 | 120.1 | 77.7 | 1.5 | 9.5 | — | 0.6 | 1.9 | 4.7 | 6.0 | 4.6 | 58.6 | 66.7 | 40.2 | 66.3 | 24.6 | 27.7 |
| | 1963 | 132.5 | 76.3 | 1.9 | 10.0 | — | 0.7 | 1.4 | 6.0 | 4.4 | 5.0 | 55.7 | 66.7 | 35.7 | 70.3 | 40.6 | 27.6 |
| | 1964 | 118.8 | 94.7 | 3.9 | 9.6 | — | 1.0 | *1.3* | *6.7* | *5.4* | *6.1* | *48.9* | *45.8* | 33.8 | 83.4 | 37.6 | 37.3 |
| | 1965 | 134.6 | 120.7 | 5.3 | 6.8 | — | 1.3 | *1.0* | *7.1* | *3.9* | *6.8* | *47.8* | *50.3* | 42.3 | 104.2 | 39.8 | 37.0 |
| | 1966 | 116.5 | 124.5 | 8.5 | 14.0 | ... | *1.0* | *1.0* | *7.7* | *4.0* | *6.6* | ... | ... | 48.6 | 87.0 | 39.4 | 39.2 |
| | 1966 IV | 84.7 | 126.0 | 8.3 | 26.1 | ... | ... | ... | ... | ... | ... | ... | ... | 59.9 | 85.5 | 29.8 | 47.7 |
| | 1967 I | ... | ... | 8.3 | 7.5 | ... | ... | ... | ... | ... | ... | ... | ... | 56.3 | 86.7 | 24.6 | 49.4 |
| | II | ... | ... | 8.6 | 33.6 | ... | ... | ... | ... | ... | ... | ... | ... | 44.3 | 106.2 | 22.1 | 54.2 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 5.<br>d<br>dom | 1960 | 30.7 | 19.9 | 0.5 | 2.3 | — | 4.2 | 1.5 | 3.2 | 2.0 | 4.2 | 31.2 | 37.8 | 17.1 | 28.6 | 2.9 | 5.8 |
| | 1961 | 30.9 | 22.4 | 0.4 | 1.3 | — | 0.2 | 1.4 | 3.7 | 2.5 | 5.3 | 25.7 | 41.1 | 14.3 | 31.9 | 2.0 | 6.0 |
| | 1962 | 22.3 | 25.2 | 0.4 | 1.6 | — | 0.1 | 0.9 | 3.6 | 4.2 | 3.9 | 20.1 | 43.9 | 17.2 | 33.0 | 1.8 | 6.7 |
| | 1963 | 22.1 | 20.3 | 0.4 | 1.3 | — | 0.2 | 0.7 | 4.7 | 2.8 | 4.2 | 18.3 | 43.7 | 14.0 | 31.4 | 2.1 | 8.0 |
| | 1964 | 42.8 | 24.5 | 1.6 | 0.8 | — | 0.6 | *0.5* | *5.0* | *3.3* | *4.8* | *15.7* | *28.4* | 13.0 | 33.5 | 2.4 | 9.3 |
| | 1965 | 40.0 | 27.8 | 0.9 | 0.3 | — | *0.5* | *0.5* | *5.5* | *1.8* | *5.3* | *14.5* | *31.2* | 17.8 | 38.6 | 2.1 | 9.0 |
| | 1966 | 46.4 | 29.3 | 1.3 | 0.6 | ... | ... | *0.6* | *5.8* | *1.6* | 4.9 | ... | ... | 17.4 | 34.0 | 1.7 | 9.5 |
| | 1966 IV | 35.3 | 27.6 | 1.6 | 1.0 | ... | ... | ... | ... | ... | ... | ... | ... | 23.8 | 32.4 | 0.9 | 11.7 |
| | 1967 I | ... | ... | 1.5 | 0.5 | ... | ... | ... | ... | ... | ... | ... | ... | 20.7 | 34.8 | 1.5 | 11.3 |
| | II | ... | ... | 2.6 | 1.1 | ... | ... | ... | ... | ... | ... | ... | ... | 19.5 | 40.0 | 1.1 | 13.3 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 6.<br>rn<br>pe | 1960 | 6.2 | 7.5 | — | — | — | — | — | — | — | — | 18.7 | 0.6 | 4.3 | 3.6 | — | — |
| | 1961 | 6.0 | 8.2 | — | — | — | — | — | — | — | — | 18.3 | 1.2 | 5.0 | 2.0 | — | — |
| | 1962 | 6.8 | 8.5 | — | — | — | — | — | — | — | — | 21.9 | 1.0 | 3.8 | 3.5 | — | — |
| | 1963 | 6.6 | 7.5 | — | — | — | — | — | — | — | — | 23.5 | 1.2 | 5.3 | 2.6 | — | — |
| | 1964 | 9.6 | 13.7 | — | — | — | — | — | — | — | — | *14.9* | *0.4* | 3.9 | 4.8 | — | — |
| | 1965 | 8.9 | 9.6 | — | — | — | — | — | — | — | — | 22.4 | 0.3 | 5.9 | 9.3 | — | — |
| | 1966 | 11.1 | 15.5 | — | — | ... | — | — | — | — | — | ... | ... | 12.8 | 13.9 | — | — |
| | 1966 IV | 9.5 | 17.0 | — | — | ... | ... | ... | ... | ... | ... | ... | ... | 17.5 | 17.8 | — | — |
| | 1967 I | ... | ... | — | — | ... | ... | ... | ... | ... | ... | ... | ... | 13.1 | 22.5 | — | — |
| | II | ... | ... | — | — | ... | ... | ... | ... | ... | ... | ... | ... | 22.2 | 16.1 | — | — |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |

## 20. DIRECTION OF INTERNATIONAL TRADE *(Cont'd)*

*Quarterly averages or quarters*

*Million dolla*

| Reporting countries / Exports to or Imports from | Year and Quarter | IRAN | | KOREA, Republic of | | LAOS | | MALAYSIA | | | | | | PAKISTAN | | PHILIPPINES | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | EAST | | | | WEST | | | | | |
| | | | | | | | | SABAH | | SARAWAK | | | | | | | |
| | | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. |
| 7. North America | 1960 | 20.9 | 26.9 | 0.9 | 31.0 | — | 0.4 | 0.4 | 1.6 | 0.1 | 0.7 | 28.5 | 7.9 | 9.9 | 44.2 | 67.5 | 67. |
| | 1961 | 21.1 | 25.1 | 1.7 | 36.5 | — | 0.6 | 0.4 | 1.9 | 0.2 | 0.8 | 31.5 | 10.0 | 12.5 | 43.3 | 65.4 | 75. |
| | 1962 | 22.1 | 23.6 | 3.0 | 54.0 | — | 0.8 | 0.3 | 2.7 | 0.3 | 0.8 | 35.7 | 12.9 | 11.2 | 73.1 | 70.3 | 67. |
| | 1963 | 26.3 | 23.9 | 6.2 | 71.4 | — | 1.9 | 0.2 | 3.3 | 0.3 | 1.1 | 37.8 | 11.9 | 10.4 | 102.9 | 83.0 | 68. |
| | 1964 | 26.0 | 28.1 | 9.0 | 51.2 | — | 1.8 | *0.3* | *2.4* | *0.3* | *2.2* | *38.3* | 6.5 | 11.0 | 109.4 | 91.1 | 93. |
| | 1965 | 22.4 | 39.3 | 15.9 | 46.2 | — | *1.8* | *0.4* | *3.4* | *0.5* | *1.7* | *50.5* | 7.5 | 15.2 | 96.7 | 88.2 | 85. |
| | 1966 | 29.3 | 45.0 | 25.6 | 69.4 | ... | ... | *0.4* | *3.2* | *0.9* | *1.9* | ... | ... | 19.2 | 72.0 | 78.6 | 87. |
| | 1966 IV | 19.7 | 46.0 | 26.8 | 116.5 | ... | ... | ... | ... | ... | ... | ... | ... | 21.3 | 70.4 | 55.5 | 93. |
| | 1967 I | ... | ... | 25.8 | 68.5 | ... | ... | ... | ... | ... | ... | ... | ... | 14.5 | 87.4 | 81.1 | 94. |
| | II | ... | ... | 36.2 | 59.1 | ... | ... | ... | ... | ... | ... | ... | ... | 16.5 | 126.5 | 83.3 | 120. |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | .. |
| 8. United States of America | 1960 | 12.8 | 26.4 | 0.9 | 29.6 | — | 0.4 | 0.4 | 1.6 | 0.1 | 0.7 | 24.8 | 7.3 | 8.6 | 40.7 | 67.1 | 64. |
| | 1961 | 15.3 | 24.8 | 1.7 | 35.8 | — | 0.6 | 0.4 | 1.9 | 0.2 | 0.8 | 27.3 | 9.2 | 9.9 | 39.7 | 65.0 | 72. |
| | 1962 | 14.7 | 22.8 | 3.0 | 53.5 | — | 0.3 | 0.3 | 2.7 | 0.3 | 0.8 | 31.3 | 11.8 | 9.1 | 70.1 | 70.1 | 63. |
| | 1963 | 16.3 | 22.4 | 6.1 | 70.5 | — | 1.9 | 0.2 | 3.3 | 0.3 | 1.1 | 31.9 | 10.9 | 9.3 | 98.0 | 82.7 | 63. |
| | 1964 | 19.9 | 27.3 | 8.9 | 50.5 | — | 1.8 | *0.3* | *2.2* | *0.3* | *2.2* | *31.6* | *5.8* | 8.8 | 103.8 | 90.4 | 86. |
| | 1965 | 17.3 | 38.7 | 15.3 | 45.6 | — | *1.8* | *0.4* | *3.3* | *0.5* | *1.6* | *43.2* | *6.7* | 11.9 | 91.3 | 87.2 | 77. |
| | 1966 | 20.8 | 43.0 | 24.0 | 68.5 | ... | ... | *0.4* | *3.1* | *0.9* | *1.8* | ... | ... | 17.6 | 65.9 | 78.0 | 80. |
| | 1966 IV | 13.5 | 45.1 | 25.3 | 115.6 | ... | ... | ... | ... | ... | ... | ... | ... | 19.8 | 62.1 | 55.2 | 85. |
| | 1967 I | ... | ... | 24.8 | 67.5 | ... | ... | ... | ... | ... | ... | ... | ... | 13.5 | 80.5 | 80.9 | 91. |
| | II | ... | ... | 33.8 | 57.4 | ... | ... | ... | ... | ... | ... | ... | ... | 14.4 | 113.3 | 82.6 | 114. |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | .. |
| 9. South America | 1960 | — | — | — | — | — | — | — | — | — | — | 4.0 | — | 1.1 | — | 2.4 | 0. |
| | 1961 | — | — | — | — | — | — | — | — | — | — | 3.9 | 0.1 | 1.4 | 0.1 | 0.5 | 0. |
| | 1962 | — | — | — | — | — | — | — | — | — | — | 3.1 | — | 1.4 | — | 1.8 | 1. |
| | 1963 | — | — | — | — | — | — | — | — | — | — | 4.1 | 0.1 | 2.0 | — | 0.4 | 0. |
| | 1964 | 0.5 | — | — | — | — | — | — | — | — | — | *4.9* | — | 2.1 | — | 1.1 | 1. |
| | 1965 | 1.8 | — | — | 0.1 | — | — | — | — | — | — | *3.7* | — | 2.7 | — | 1.0 | 1. |
| | 1966 | 2.2 | 0.3 | 0.1 | 0.7 | ... | ... | — | — | — | — | ... | ... | 2.7 | 0.1 | 1.8 | 1. |
| | 1966 IV | 1.7 | 0.1 | 0.2 | 0.7 | ... | ... | ... | ... | ... | ... | ... | ... | 2.5 | 0.1 | 0.7 | 1. |
| | 1967 I | ... | ... | — | 0.6 | ... | ... | ... | ... | ... | ... | ... | ... | 3.2 | — | 1.3 | 1. |
| | II | ... | ... | — | 0.8 | ... | ... | ... | ... | ... | ... | ... | ... | 2.1 | 0.1 | 2.5 | 0. |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | .. |
| 10. Middle East and Africa | 1960 | 31.0 | 6.9 | — | — | — | — | — | — | 0.1 | 0.1 | 2.2 | 2.4 | 9.8 | 5.2 | 0.5 | 4. |
| | 1961 | 31.0 | 8.9 | — | — | — | — | — | — | 0.1 | — | 1.6 | 1.5 | 13.7 | 6.5 | 0.5 | 7. |
| | 1962 | 32.5 | 4.0 | — | 0.3 | — | — | — | — | — | — | 2.8 | 1.9 | 14.1 | 5.4 | 0.3 | 6. |
| | 1963 | 31.0 | 4.1 | — | 0.2 | — | — | — | — | — | — | 4.2 | 2.9 | 13.8 | 4.2 | 0.5 | 7. |
| | 1964 | 48.5 | 5.9 | 0.1 | 0.3 | — | — | *0.2* | *0.1* | *0.1* | *0.1* | *4.8* | 7.9 | 13.7 | 2.7 | 0.8 | 10. |
| | 1965 | 50.5 | 8.7 | 0.6 | 1.4 | — | — | *0.2* | *0.1* | *0.1* | — | *5.3* | 9.6 | 19.5 | 1.8 | 0.5 | 10. |
| | 1966 | 47.5 | 7.0 | 1.7 | 2.7 | ... | ... | *0.3* | — | 0.1 | — | ... | ... | 22.1 | 2.3 | 0.6 | 8. |
| | 1966 IV | 44.1 | 6.9 | 2.1 | 4.9 | ... | ... | ... | ... | ... | ... | ... | ... | 24.1 | 3.3 | 0.7 | 11. |
| | 1967 I | ... | ... | 1.7 | 0.7 | ... | ... | ... | ... | ... | ... | ... | ... | 20.2 | 2.1 | 0.1 | 10. |
| | II | ... | ... | 2.3 | 0.5 | ... | ... | ... | ... | ... | ... | ... | ... | 35.3 | 6.5 | 0.3 | 11. |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | .. |
| 11. Sterling area | 1960 | 98.4 | 31.9 | 1.3 | 6.4 | 4.5 | 4.4 | 6.4 | 6.0 | 25.9 | 28.8 | 47.1 | 62.1 | 43.1 | 43.9 | 4.8 | 17. |
| | 1961 | 96.8 | 32.7 | 2.4 | 4.3 | — | 0.4 | 3.8 | 5.7 | 21.2 | 25.6 | 37.4 | 66.1 | 39.5 | 52.7 | 3.7 | 16. |
| | 1962 | 101.9 | 34.0 | 1.7 | 4.9 | 0.1 | 0.5 | 4.1 | 8.9 | 23.6 | 24.3 | 34.0 | 70.1 | 45.5 | 47.8 | 3.5 | 17. |
| | 1963 | 102.5 | 29.5 | 2.9 | 6.7 | — | 0.4 | 4.1 | 11.8 | 20.2 | 23.3 | 33.6 | 74.3 | 42.4 | 50.3 | 4.3 | 25. |
| | 1964 | 135.4 | 34.3 | 5.3 | 5.1 | 0.2 | 1.0 | *5.7* | *13.4* | *24.0* | *26.2* | *31.3* | *55.0* | 46.2 | 50.8 | 5.5 | 26. |
| | 1965 | 122.5 | 46.9 | 5.3 | 5.5 | *0.2* | *1.5* | *6.0* | *15.8* | *26.0* | *28.8* | *30.6* | *58.0* | 51.6 | 52.7 | 4.5 | 32. |
| | 1966 | 121.4 | 44.1 | 5.1 | 9.1 | ... | ... | *6.2* | *16.5* | *25.0* | *32.5* | ... | ... | 53.7 | 48.6 | 4.5 | 30. |
| | 1966 IV | 102.3 | 46.3 | 7.6 | 12.3 | ... | ... | ... | ... | ... | ... | ... | ... | 71.7 | 63.9 | 3.4 | 33. |
| | 1967 I | ... | ... | 5.9 | 9.5 | ... | ... | ... | ... | ... | ... | ... | ... | 51.6 | 75.1 | 3.7 | 31. |
| | II | ... | ... | 8.6 | 13.7 | ... | ... | ... | ... | ... | ... | ... | ... | 55.1 | 59.9 | 4.2 | 35. |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | .. |
| 12. ECAFE sterling countries[b] | 1960 | 41.7 | 7.5 | 0.8 | 4.2 | 4.5 | 0.2 | 4.9 | 2.8 | 23.9 | 24.6 | 14.0 | 22.2 | 19.1 | 12.8 | 1.3 | 8. |
| | 1961 | 39.5 | 6.5 | 2.0 | 3.0 | — | 0.2 | 2.4 | 2.0 | 18.7 | 20.4 | 10.5 | 24.1 | 15.8 | 17.0 | 1.2 | 7. |
| | 1962 | 52.9 | 6.3 | 1.3 | 3.4 | 0.1 | 0.4 | 3.2 | 5.3 | 19.3 | 20.4 | 12.4 | 25.2 | 18.1 | 11.6 | 1.5 | 8. |
| | 1963 | 51.9 | 6.9 | 2.5 | 5.4 | — | 0.2 | 3.4 | 7.1 | 17.4 | 19.1 | 12.8 | 29.4 | 19.4 | 16.4 | 1.8 | 12. |
| | 1964 | 55.7 | 7.6 | 3.7 | 4.3 | 0.2 | 0.4 | *5.0* | *8.3* | *20.7* | *21.2* | *12.7* | *20.2* | 23.4 | 15.9 | 2.5 | 16. |
| | 1965 | 45.1 | 13.4 | 4.4 | 5.1 | *0.2* | *1.0* | *5.3* | *10.2* | *24.2* | *23.5* | *13.9* | *20.8* | 22.3 | 13.1 | 2.0 | 21. |
| | 1966 | 43.9 | 11,2 | 3.6 | 8.1 | ... | ... | *5.4* | *10.6* | *23.4* | *27.5* | ... | ... | 23.4 | 12.9 | 2.5 | 18. |
| | 1966 IV | 40.1 | 14.9 | 5.3 | 10.8 | ... | ... | ... | ... | ... | ... | ... | ... | 33.9 | 29.7 | 2.4 | 10. |
| | 1967 I | ... | ... | 4.4 | 9.0 | ... | ... | ... | ... | ... | ... | ... | ... | 23.3 | 38.7 | 2.1 | 18. |
| | II | ... | ... | 5.7 | 12.6 | ... | ... | ... | ... | ... | ... | ... | ... | 21.7 | 14.5 | 2.8 | 20. |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | .. |

## 20. DIRECTION OF INTERNATIONAL TRADE *(Cont'd)*

*Quarterly averages or quarters* *Million dollars*

| Reporting countries / Exports to or Imports from | Year and Quarter | SINGAPORE | | THAILAND | | VIET-NAM Republic of | | WESTERN SAMOA | | AUSTRALIA | | JAPAN | | NEW ZEALAND | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp.[c] | Exp. | Imp. | Exp. | Imp.[d] |
| **1. All countries** | 1960 | 215.0 | 263.4 | 100.8 | 110.8 | 21.5 | 59.9 | *1.9* | *1.7* | 515.1 | 590.7 | 1,013.7 | 1.122.9 | 211.8 | 176.0 |
| | 1961 | 197.9 | 264.7 | 116.5 | 119.3 | 17.7 | 63.0 | *1.8* | *1.4* | 594.1 | 524.1 | 1,058.4 | 1,452.5 | 198.4 | 201.0 |
| | 1962 | 202.2 | 270.0 | 113.6 | 135.6 | 13.8 | 65.3 | *2.0* | *2.0* | 591.3 | 566.4 | 1,229.4 | 1,408.7 | 197.3 | 169.9 |
| | 1963 | 201.2 | 287.8 | 115.3 | 148.5 | 19.2 | 71.1 | *1.8* | *2.1* | 703.1 | 620.3 | 1,362.3 | 1,684.8 | 227.6 | 206.1 |
| | 1964 | *150.8* | *218.9* | 147.8 | 166.6 | 12.0 | 74.2 | *1.8* | 2.5 | 766.8 | 744.4 | 1,669.3 | 1,986.9 | 268.7 | 220.4 |
| | 1965 | *168.7* | *238.7* | 155.7 | 182.8 | *8.8* | *89.1* | *1.4* | *2.3* | 753.5 | 830.9 | 2,114.1 | 2,046.1 | 250.5 | 242.1 |
| | 1966 | *201.4* | *255.0* | 173.4 | 293.3 | 6.1 | 124.0 | ... | ... | 793.1 | 811.2 | 2,445.4 | 2,381.1 | 269.1 | 251.5 |
| | 1966 IV | *209.7* | *267.6* | 175.7 | 367.4 | ... | ... | ... | ... | 816.2 | 781.9 | 2,820.0 | 2,556.1 | 211.5 | 248.0 |
| | 1967 I | ... | ... | ... | ... | 5.6 | 151.6 | ... | ... | 871.6 | 859.0 | 2,281.4 | 2,715.5 | 299.2 | 246.5 |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 911.2 | 889.1 | 2,542.3 | 2,989.6 | 265.8 | 246.6 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **2. ECAFE countries[b]** | 1960 | 93.9 | 182.3 | 61.5 | 53.4 | 7.2 | 20.2 | *1.1* | *0.7* | 166.7 | 109.4 | 353.6 | 320.8 | 15.9 | 41.3 |
| | 1961 | 83.1 | 165.1 | 75.3 | 60.5 | 4.8 | 24.8 | *1.1* | *0.7* | 238.2 | 102.2 | 361.7 | 369.7 | 22.1 | 51.3 |
| | 1962 | 91.4 | 168.4 | 69.0 | 64.8 | 2.9 | 22.9 | *1.3* | *0.9* | 216.3 | 110.5 | 389.0 | 367.7 | 16.0 | 50.7 |
| | 1963 | 94.2 | 174.3 | 78.3 | 73.6 | 8.2 | 28.2 | *0.8* | *1.3* | 284.1 | 120.1 | 443.1 | 481.3 | 28.9 | 66.9 |
| | 1964 | *73.4* | *121.4* | 102.3 | 84.0 | 3.0 | 27.8 | *0.8* | *1.5* | 288.6 | 143.0 | 534.3 | 564.2 | 30.3 | 70.3 |
| | 1965 | *82.2* | *133.5* | 102.1 | 85.5 | 2.2 | 34.0 | *0.7* | *1.4* | 295.4 | 159.9 | 681.1 | 608.8 | 31.2 | 76.0 |
| | 1966 | *107.5* | *143.7* | 113.2 | 112.8 | 1.3 | 52.1 | ... | ... | 316.6 | 161.2 | 788.5 | 756.8 | 41.9 | 76.3 |
| | 1966 IV | *114.6* | *157.5* | 105.0 | 128.7 | ... | ... | ... | ... | 346.0 | 170.5 | 949.2 | 800.8 | 36.3 | 77.6 |
| | 1967 I | ... | ... | ... | ... | 1.3 | 64.8 | ... | ... | 413.5 | 180.3 | 747.1 | 797.1 | 44.7 | 71.5 |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 406.8 | 175.5 | 868.3 | 910.9 | 50.5 | 72.3 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **3. Developing ECAFE countries** | 1960 | 65.7 | 148.6 | 43.2 | 23.1 | 6.7 | 6.9 | *0.2* | — | 55.0 | 65.5 | 311.6 | 227.0 | 2.2 | 11.7 |
| | 1961 | 59.4 | 126.7 | 58.5 | 24.4 | 4.4 | 9.5 | *0.1* | — | 98.6 | 66.6 | 331.0 | 244.2 | 4.1 | 12.5 |
| | 1962 | 68.7 | 127.5 | 52.8 | 22.5 | 2.2 | 11.5 | *0.1* | — | 84.6 | 68.5 | 347.7 | 250.3 | 2.3 | 10.3 |
| | 1963 | 73.0 | 127.6 | 57.2 | 22.1 | 7.1 | 20.9 | — | *0.2* | 118.6 | 68.4 | 392.5 | 339.0 | 6.0 | 14.2 |
| | 1964 | *56.3* | *76.9* | 69.8 | 25.7 | 2.0 | 19.5 | — | *0.2* | 111.6 | 72.8 | 464.0 | 404.5 | 6.3 | 13.9 |
| | 1965 | *62.8* | *83.8* | 72.8 | 24.1 | 1.2 | 25.5 | — | *0.1* | 124.5 | 79.7 | 586.0 | 455.5 | 6.6 | 15.4 |
| | 1966 | *89.4* | *89.1* | 77.1 | 32.2 | 0.4 | 33.4 | ... | ... | 120.4 | 73.1 | 699.2 | 558.7 | 7.1 | 13.4 |
| | 1966 IV | *95.9* | *91.4* | 62.1 | 41.3 | ... | ... | ... | ... | 137.0 | 75.0 | 846.2 | 585.4 | 5.4 | 10.0 |
| | 1967 I | ... | ... | ... | ... | 0.4 | 36.4 | ... | ... | 205.2 | 80.9 | 669.0 | 596.8 | 14.4 | 13.3 |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 176.5 | 75.3 | 758.3 | 638.0 | 7.3 | 10.9 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **4. Western Europe (including UK)** | 1960 | 60.9 | 52.8 | 14.4 | 35.1 | 11.0 | 22.5 | *0.3* | *0.7* | 236.2 | 294.2 | 119.3 | 98.4 | 150.3 | 99.2 |
| | 1961 | 54.3 | 63.1 | 23.0 | 37.4 | 10.9 | 19.8 | *0.3* | *0.6* | 226.1 | 250.4 | 136.1 | 141.6 | 133.6 | 111.4 |
| | 1962 | 50.3 | 60.5 | 23.3 | 44.1 | 9.4 | 16.8 | *0.3* | *0.9* | 226.3 | 264.5 | 169.9 | 152.7 | 132.5 | 86.3 |
| | 1963 | 48.0 | 66.9 | 20.8 | 45.8 | 8.9 | 14.7 | *0.8* | *0.4* | 242.2 | 281.4 | 178.6 | 169.6 | 143.3 | 99.8 |
| | 1964 | *35.6* | *55.7* | 29.9 | 48.6 | 8.0 | 12.8 | *0.7* | *0.4* | 279.6 | 318.4 | 215.6 | 204.8 | 179.3 | 102.1 |
| | 1965 | *38.4* | *62.6* | 30.5 | 52.8 | 6.3 | 12.6 | *0.7* | *0.4* | 258.6 | 369.6 | 267.2 | 182.9 | 162.7 | 110.0 |
| | 1966 | *40.6* | *63.8* | 28.2 | 56.7 | 4.5 | 20.0 | ... | ... | 259.4 | 343.9 | 316.9 | 217.3 | 154.8 | 115.3 |
| | 1966 IV | *40.8* | *62.8* | 37.9 | 64.6 | ... | ... | ... | ... | 247.3 | 319.4 | 390.7 | 248.9 | 116.0 | 110.4 |
| | 1967 I | ... | ... | ... | ... | 4.2 | 23.8 | ... | ... | 240.0 | 350.8 | 342.3 | 267.7 | 195.5 | 119.7 |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 259.7 | 366.4 | 339.4 | 317.4 | 141.1 | 116.0 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **5. United Kingdom** | 1960 | 23.4 | 29.7 | 4.5 | 11.4 | 1.2 | 1.7 | *0.3* | *0.6* | 138.8 | 197.2 | 30.2 | 24.8 | 112.2 | 76.7 |
| | 1961 | 20.0 | 33.2 | 10.1 | 11.3 | 2.0 | 1.9 | *0.3* | *0.5* | 117.4 | 161.8 | 28.7 | 34.3 | 100.7 | 89.9 |
| | 1962 | 17.7 | 31.4 | 5.7 | 12.5 | 2.2 | 1.2 | *0.3* | *0.6* | 113.9 | 172.7 | 48.1 | 36.5 | 97.1 | 71.4 |
| | 1963 | 16.6 | 34.9 | 4.5 | 13.7 | 1.4 | 1.1 | *0.5* | *0.3* | 125.3 | 180.0 | 39.0 | 37.3 | 103.4 | 82.4 |
| | 1964 | *15.0* | *28.6* | 7.0 | 15.4 | 1.3 | 1.1 | *0.3* | *0.3* | 151.5 | 198.3 | 49.5 | 46.8 | 130.8 | 83.3 |
| | 1965 | *15.7* | *33.8* | 6.6 | 17.5 | 1.1 | 1.5 | *0.2* | *0.2* | 131.2 | 223.0 | 51.3 | 40.7 | 121.1 | 88.9 |
| | 1966 | *15.1* | *33.3* | 6.3 | 18.0 | 1.0 | 2.5 | ... | ... | 122.6 | 201.1 | 56.4 | 53.6 | 113.0 | 93.5 |
| | 1966 IV | *15.5* | *31.9* | 7.0 | 19.6 | ... | ... | ... | ... | 99.4 | 191.5 | 74.9 | 61.1 | 86.8 | 86.3 |
| | 1967 I | ... | ... | ... | ... | 0.7 | 2.4 | ... | ... | 109.8 | 206.3 | 83.4 | 59.8 | 157.3 | 92.9 |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 124.4 | 210.4 | 80.7 | 64.8 | 107.9 | 91.5 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **6. USSR and Eastern Europe** | 1960 | 14.1 | 1.2 | 2.2 | 1.1 | — | — | — | — | 19.3 | 3.0 | 17.2 | 24.0 | 1.8 | — |
| | 1961 | 18.1 | 1.7 | 1.8 | 1.1 | — | — | — | — | 15.7 | 2.6 | 20.4 | 40.5 | 3.1 | 0.5 |
| | 1962 | 14.6 | 1.6 | 1.6 | 1.1 | — | — | — | — | 16.2 | 2.5 | 45.3 | 39.7 | 0.6 | — |
| | 1963 | 17.9 | 2.2 | 0.8 | 1.3 | — | — | — | — | 25.4 | 2.9 | 46.7 | 44.4 | 0.8 | — |
| | 1964 | *10.6* | *1.6* | 0.6 | 1.6 | — | — | — | — | 44.7 | 3.5 | 57.0 | 63.6 | 2.8 | — |
| | 1965 | 14.6 | 1.6 | 1.6 | 2.2 | — | — | — | — | 34.5 | 3.9 | 60.5 | 68.8 | 2.0 | — |
| | 1966 | *12.9* | *1.4* | 2.1 | 2.4 | — | — | ... | ... | 20.8 | 3.4 | 77.9 | 86.8 | 4.7 | — |
| | 1966 IV | *14.5* | *1.6* | 1.7 | 3.3 | ... | ... | ... | ... | 28.5 | 3.2 | 87.2 | 105.7 | 8.7 | — |
| | 1967 I | ... | ... | ... | ... | — | — | ... | ... | 23.4 | 3.9 | 55.7 | 121.9 | 5.5 | — |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 14.1 | 3.7 | 57.2 | 159.7 | 1.9 | — |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |

## 20. DIRECTION OF INTERNATIONAL TRADE *(Cont'd)*

*Quarterly averages or quarters* *Million dollars*

| Reporting countries / Exports to or Imports from | Year and Quarter | SINGAPORE | | THAILAND | | VIET-NAM Republic of | | WESTERN SAMOA | | AUSTRALIA | | JAPAN | | NEW ZEALAND | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp. | Exp. | Imp.[c] | Exp. | Imp. | Exp. | Imp.[d] |
| 7. North America | 1960 | 25.7 | 14.1 | 14.3 | 20.1 | 1.0 | 16.1 | *0.3* | *0.1* | 47.4 | 132.4 | 336.0 | 480.7 | 31.6 | 24.8 |
| | 1961 | 23.2 | 17.1 | 10.2 | 19.9 | 0.9 | 17.2 | *0.2* | — | 66.3 | 125.8 | 323.7 | 646.4 | 34.0 | 28.9 |
| | 1962 | 27.8 | 18.5 | 10.4 | 23.8 | 0.5 | 24.3 | *0.2* | *0.1* | 87.1 | 146.1 | 414.0 | 578.9 | 36.8 | 22.5 |
| | 1963 | 23.9 | 22.4 | 8.6 | 26.7 | 0.3 | 26.7 | *0.2* | *0.3* | 97.6 | 158.6 | 448.4 | 670.7 | 44.8 | 27.8 |
| | 1964 | *13.2* | *19.1* | 6.7 | 28.4 | 0.5 | 31.6 | *0.2* | *0.5* | 92.1 | 215.0 | 566.4 | 762.8 | 41.7 | 32.0 |
| | 1965 | *13.9* | *20.2* | 11.9 | 37.6 | 0.4 | 40.8 | — | *0.3* | 100.5 | 231.9 | 735.3 | 763.1 | 37.6 | 39.7 |
| | 1966 | *18.3* | *21.9* | 22.6 | 111.3 | 0.3 | 50.6 | ... | ... | 124.2 | 236.2 | 875.9 | 861.3 | 49.1 | 38.5 |
| | 1966 IV | *17.4* | *20.6* | 23.1 | 156.9 | ... | ... | ... | ... | 111.6 | 220.4 | 932.2 | 901.6 | 35.4 | 38.6 |
| | 1967 I | ... | ... | ... | ... | 0.1 | 62.0 | ... | ... | 109.2 | 245.2 | 765.7 | 1,000.4 | 38.9 | 35.5 |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 125.7 | 268.8 | 903.6 | 1,076.0 | 48.1 | 37.3 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 8. United States of America | 1960 | 19.8 | 12.8 | 14.3 | 18.9 | 0.9 | 15.3 | *0.2* | *0.1* | 34.0 | 108.0 | 276.9 | 388.6 | 26.9 | 18.4 |
| | 1961 | 18.2 | 15.3 | 10.2 | 17.6 | 0.9 | 17.1 | *0.2* | — | 54.1 | 104.6 | 268.3 | 524.2 | 29.5 | 19.0 |
| | 1962 | 23.2 | 16.5 | 10.0 | 22.9 | 0.5 | 24.3 | *0.2* | *0.1* | 72.9 | 118.6 | 352.7 | 452.3 | 31.9 | 15.1 |
| | 1963 | 18.9 | 18.5 | 8.6 | 26.0 | 0.3 | 26.7 | *0.1* | *0.2* | 80.1 | 132.5 | 380.6 | 519.7 | 39.2 | 19.3 |
| | 1964 | *9.5* | *15.8* | 6.7 | 27.3 | 0.5 | 31.6 | *0.1* | *0.4* | 71.7 | 181.4 | 466.6 | 584.2 | 35.8 | 22.8 |
| | 1965 | *10.2* | *15.8* | 10.1 | 35.3 | 0.4 | 40.5 | — | *0.2* | 81.9 | 196.5 | 629.3 | 595.3 | 31.1 | 29.4 |
| | 1966 | *13.2* | *17.2* | 12.0 | 108.6 | 0.3 | 50.1 | ... | ... | 103.0 | 205.6 | 752.5 | 664.5 | 42.4 | 28.1 |
| | 1966 IV | *13.3* | *16.7* | 23.1 | 153.8 | ... | ... | ... | ... | 93.2 | 188.2 | 793.9 | 710.2 | 29.3 | 29.3 |
| | 1967 I | ... | ... | ... | ... | 0.1 | 61.8 | ... | ... | 89.8 | 209.5 | 642.6 | 775.0 | 33.3 | 25.1 |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 100.2 | 231.4 | 746.3 | 809.1 | 45.2 | 27.9 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 9. South America | 1960 | 8.3 | 0.1 | 0.5 | — | — | — | — | *0.2* | 1.7 | 2.7 | 44.9 | 36.2 | — | — |
| | 1961 | 6.8 | 0.2 | 0.4 | — | — | 0.2 | — | — | 0.5 | 2.7 | 58.3 | 64.3 | 0.4 | 1.9 |
| | 1962 | 5.4 | 0.3 | 0.7 | 0.1 | — | 0.6 | — | — | 1.5 | 3.4 | 56.1 | 56.4 | — | — |
| | 1963 | 3.5 | 0.2 | 1.1 | — | — | — | — | — | 0.9 | 3.6 | 49.4 | 69.7 | 0.4 | 1.6 |
| | 1964 | *4.0* | *0.6* | 0.6 | 0.2 | — | 0.1 | *0.1* | — | 1.1 | 3.7 | 53.2 | 88.9 | 0.4 | 1.0 |
| | 1965 | *3.5* | *0.8* | 0.6 | 0.2 | — | 0.3 | — | — | 2.4 | 3.0 | 62.1 | 97.9 | 0.8 | 0.3 |
| | 1966 | *3.6* | *0.5* | — | 0.2 | — | 0.3 | ... | ... | 2.7 | 1.8 | 69.9 | 111.4 | 1.2 | 0.3 |
| | 1966 IV | *3.7* | *1.1* | — | 0.4 | ... | ... | ... | ... | 3.5 | 1.5 | 84.0 | 130.7 | 2.3 | 1.1 |
| | 1967 I | ... | ... | ... | ... | — | — | ... | ... | 2.1 | 1.1 | 57.4 | 122.4 | 0.6 | 0.3 |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 12.6 | 1.0 | 62.4 | 122.6 | 7.9 | 0.8 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 10. Middle East and Africa | 1960 | 7.5 | 7.0 | 5.3 | 0.5 | 0.3 | 0.1 | — | — | 17.7 | 35.2 | 112.9 | 140.1 | 0.6 | 2.5 |
| | 1961 | 7.7 | 11.3 | 4.0 | 0.1 | 0.3 | 0.4 | — | — | 19.1 | 30.3 | 121.9 | 160.6 | 0.6 | 4.2 |
| | 1962 | 7.9 | 19.2 | 5.5 | 0.2 | 0.6 | 0.3 | — | — | 17.9 | 28.2 | 113.5 | 177.5 | 0.6 | 2.0 |
| | 1963 | 10.4 | 20.7 | 3.7 | 0.5 | 1.4 | 0.9 | — | — | 19.0 | 40.3 | 152.7 | 221.1 | 2.3 | 4.8 |
| | 1964 | *11.5* | *19.4* | 6.9 | 2.7 | 0.1 | 0.6 | — | *0.1* | 23.8 | 44.9 | 195.2 | 273.2 | 0.9 | 2.1 |
| | 1965 | *13.6* | *19.2* | 8.8 | 4.1 | — | 1.3 | — | *0.1* | 24.6 | 46.4 | 256.1 | 294.4 | 3.2 | 1.9 |
| | 1966 | *15.5* | *23.0* | 7.2 | 9.5 | — | 1.0 | ... | ... | 27.6 | 47.6 | 246.8 | 318.0 | 2.9 | 2.9 |
| | 1966 IV | *15.3* | *23.2* | 8.0 | 13.0 | ... | ... | ... | ... | 35.3 | 47.7 | 292.9 | 346.7 | 0.5 | 3.3 |
| | 1967 I | ... | ... | ... | ... | — | 0.5 | ... | ... | 38.2 | 54.6 | 245.8 | 361.1 | 0.9 | 2.8 |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 48.0 | 53.4 | 230.7 | 369.9 | 1.7 | 3.6 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 11. Sterling area | 1960 | 74.5 | 81.1 | 45.8 | 31.5 | 5.8 | 3.4 | *1.4* | *1.4* | 239.6 | 285.5 | 283.6 | 321.8 | 126.4 | 116.1 |
| | 1961 | 65.4 | 88.0 | 53.6 | 30.8 | 4.4 | 3.0 | *1.4* | *1.2* | 229.6 | 236.0 | 267.7 | 381.8 | 114.0 | 137.1 |
| | 1962 | 61.3 | 88.8 | 51.5 | 21.5 | 4.2 | 2.1 | *1.6* | *1.5* | 227.6 | 244.7 | 317.1 | 389.3 | 111.5 | 120.0 |
| | 1963 | 65.7 | 100.7 | 47.6 | 23.3 | 6.1 | 3.9 | *1.2* | *1.6* | 256.4 | 264.6 | 361.8 | 443.5 | 124.7 | 140.8 |
| | 1964 | *67.2* | *95.0* | 58.1 | 32.3 | 2.5 | 5.0 | *1.1* | *1.6* | 294.5 | 287.3 | 437.0 | 499.7 | 153.4 | 147.9 |
| | 1965 | *76.8* | *101.3* | 71.1 | 34.1 | 2.1 | 8.9 | *0.9* | *1.6* | 288.4 | 317.7 | 490.7 | 492.4 | 146.8 | 155.5 |
| | 1966 | *76.1* | *101.2* | 78.7 | 43.4 | 1.3 | 13.2 | ... | ... | 296.5 | 292.1 | 495.8 | 581.5 | 139.3 | 166.0 |
| | 1966 IV | *79.9* | *101.8* | 57.6 | 51.7 | ... | ... | ... | ... | 298.8 | 282.5 | 603.7 | 627.7 | 109.1 | 160.2 |
| | 1967 I | ... | ... | ... | ... | 0.8 | 11.3 | ... | ... | 339.3 | 319.4 | 489.5 | 627.4 | 178.7 | 157.9 |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 319.4 | 307.5 | 541.1 | 666.9 | 139.3 | 160.7 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 12. ECAFE sterling countries[b] | 1960 | 43.2 | 41.8 | 37.1 | 19.8 | 4.3 | 1.6 | *1.0* | *0.7* | 71.3 | 48.8 | 177.4 | 209.9 | 9.7 | 32.8 |
| | 1961 | 36.6 | 43.2 | 41.2 | 19.5 | 2.4 | 1.1 | *1.0* | *0.7* | 81.9 | 44.3 | 165.0 | 246.4 | 10.2 | 43.2 |
| | 1962 | 38.0 | 40.5 | 42.2 | 8.9 | 2.0 | 0.9 | *1.2* | *0.8* | 83.3 | 45.7 | 191.6 | 222.7 | 9.5 | 42.2 |
| | 1963 | 43.8 | 48.0 | 41.1 | 9.5 | 4.6 | 2.8 | *0.8* | *1.1* | 96.1 | 49.3 | 229.3 | 282.5 | 16.1 | 53.1 |
| | 1964 | *49.3* | *50.2* | 48.9 | 15.7 | 1.2 | 3.9 | *0.8* | *1.2* | 99.2 | 51.4 | 273.9 | 297.1 | 15.9 | 56.2 |
| | 1965 | *52.0* | *51.1* | 59.6 | 13.8 | 1.0 | 7.3 | *0.6* | *1.2* | 107.8 | 56.3 | 310.7 | 297.6 | 15.4 | 57.0 |
| | 1966 | *50.5* | *52.8* | 59.6 | 17.3 | 0.3 | 10.3 | ... | ... | 117.8 | 51.8 | 325.7 | 362.9 | 15.8 | 58.7 |
| | 1966 IV | *53.0* | *54.9* | 47.9 | 22.5 | ... | ... | ... | ... | 138.2 | 54.5 | 375.6 | 383.1 | 14.0 | 61.0 |
| | 1967 I | ... | ... | ... | ... | 0.1 | 8.8 | ... | ... | 166.6 | 62.7 | 282.6 | 372.9 | 16.0 | 52.5 |
| | II | ... | ... | ... | ... | ... | ... | ... | ... | 124.0 | 55.9 | 316.3 | 415.4 | 19.2 | 55.5 |
| | III | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |

*GENERAL NOTES:* (1) For details and explanatory notes, see International Monetary Fund, *Direction of Trade* (A supplement to International Financial Statistics). (2) As complete breakdowns are not given, the sum of total trade of any individual country with different regions does not add up to the total given under trade with "all countries". (3) See "general note" to table 19. (4) Trade between the States of Malaya and Singapore is excluded.

[a] Data are converted into US$ with the rate of 4.762 rupees per US$ through June 1966 for imports and May 1966 for exports. Beginning July 1966, 7.50 rupees per US$; conversion factor for exports for June 1966, 5.948 rupees per US$.

[b] ECAFE countries comprise:

- i) Sterling countries — Australia, Brunei, Burma, Ceylon, Hong Kong, India, Malaysia, New Zealand, Pakistan, Singapore, Western Samoa.
- ii) Non-sterling countries — Afghanistan, Cambodia, China, Indonesia, Iran, Japan, Korea, Laos, Mongolia, Nepal, Philippines, Thailand and Viet-Nam.

[c] Imports valued f.o.b. prior to 1964.

[d] imports valued f.o.b.

## 21. COMPOSITION OF IMPORTS

| | VALUE *(in millions)* | | | | | PERCENTAGE DISTRIBUTION | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Consumption goods | | Materials chiefly for consumption goods | Materials chiefly for capital goods | Capital goods | Consumption goods | | Materials chiefly for consumption goods | Materials chiefly for capital goods | Capital goods |
| | Food | Others | | | | Food | Others | | | |
| DEVELOPING ECAFE REGION[a] *(US dollar)* | | | | | | | | | | |
| 1960 | 1,565 | 1,548 | 2,125 | 891 | 2,756 | 17.6 | 17.4 | 23.9 | 10.1 | 31.0 |
| 1961 | 1,495 | 1,581 | 2,186 | 854 | 2,827 | 16.7 | 17.7 | 24.4 | 9.6 | 31.6 |
| 1962 | 1,406 | 1,369 | 2,265 | 803 | 2,879 | 16.1 | 15.7 | 26.0 | 9.2 | 33.0 |
| 1963 | 1,757 | 1,431 | 2,280 | 860 | 3,212 | 18.4 | 15.0 | 23.9 | 9.0 | 33.7 |
| 1964 | 1,833 | 1,357 | 2,227 | 824 | 3,381 | 19.1 | 14.1 | 23.1 | 8.6 | 35.1 |
| 1965 | 2,069 | 1,451 | 2,480 | 873 | 3,863 | 19.3 | 13.5 | 23.1 | 8.1 | 36.0 |
| 1966 | 1,900 | 1,318 | 2,350 | 713 | 3,153 | 20.1 | 14.0 | 24.9 | 7.6 | 33.4 |
| BURMA *(Kyat)* | | | | | | | | | | |
| 1961 | 118 | 299 | 240 | 99 | 271 | 11.5 | 29.1 | 23.4 | 9.6 | 26.4 |
| 1962 | 112 | 270 | 239 | 89 | 331 | 10.8 | 25.9 | 23.0 | 8.5 | 31.8 |
| 1963 | 121 | 290 | 252 | 67 | 386 | 10.8 | 26.0 | 22.6 | 6.0 | 34.6 |
| 1964 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 1965 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 1966 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| CAMBODIA *(riel)* | | | | | | | | | | |
| 1961 | 346 | 1,276 | 207 | 574 | 989 | 10.2 | 37.6 | 6.1 | 16.9 | 29.2 |
| 1962 | 334 | 1,246 | 234 | 599 | 1,170 | 9.3 | 34.8 | 6.5 | 16.7 | 32.7 |
| 1963 | 310 | 1,449 | 302 | 653 | 1,037 | 8.3 | 38.6 | 8.1 | 17.4 | 27.6 |
| 1964 | 161 | 1,232 | 217 | 446 | 808 | 5.6 | 43.0 | 7.6 | 15.6 | 28.2 |
| 1965 | 127 | 1,352 | 332 | 374 | 1,417 | 3.5 | 37.6 | 9.2 | 10.4 | 39.3 |
| 1966 | 177 | 1,219 | 411 | 387 | 1,694 | 4.5 | 31.4 | 10.6 | 9.9 | 43.6 |
| 1967 1st half | 102 | 464 | 186 | 177 | 791 | 5.9 | 27.0 | 10.8 | 10.3 | 46.0 |
| CEYLON *(rupee)* | | | | | | | | | | |
| 1961 | 667 | 336 | 196 | 164 | 339 | 39.2 | 19.7 | 11.5 | 9.7 | 19.9 |
| 1962 | 629 | 316 | 226 | 157 | 331 | 37.9 | 19.0 | 13.6 | 9.5 | 22.0 |
| 1963 | 631 | 194 | 206 | 149 | 319 | 42.1 | 12.3 | 13.8 | 9.9 | 21.3 |
| 1964 | 1,011 | 285 | 238 | 133 | 308 | 51.2 | 14.4 | 12.1 | 6.7 | 15.6 |
| 1965 | 597 | 211 | 262 | 146 | 258 | 40.5 | 14.3 | 17.8 | 9.9 | 17.5 |
| 1966 | 957 | 266 | 306 | 144 | 356 | 47.2 | 13.1 | 15.1 | 7.1 | 17.5 |
| 1967 1st half | 486 | 92 | 134 | 71 | 167 | 51.2 | 9.7 | 14.1 | 7.4 | 15.6 |
| CHINA (Taiwan) *(new Taiwan dollar)* | | | | | | | | | | |
| 1961 | 1,378 | 780 | 5,305 | 943 | 4,488 | 10.7 | 6.1 | 41.1 | 7.3 | 34.8 |
| 1962 | 1,184 | 852 | 5,465 | 883 | 3,790 | 9.7 | 7.0 | 44.9 | 7.3 | 31.1 |
| 1963 | 1,487 | 778 | 6,527 | 1,514 | 4,177 | 10.3 | 5.4 | 45.1 | 10.4 | 28.8 |
| 1964 | 1,650 | 939 | 7,341 | 2,107 | 5,124 | 9.6 | 5.5 | 42.8 | 12.3 | 29.8 |
| 1965 | 1,838 | 1,133 | 8,099 | 2,745 | 8,481 | 8.3 | 5.1 | 36.3 | 12.3 | 38.0 |
| 1966 | 1,702 | 1,208 | 10,091 | 1,940 | 10,016 | 6.8 | 4.9 | 40.4 | 7.8 | 40.1 |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| HONG KONG *(Hong Kong dollar)* | | | | | | | | | | |
| 1961 | 1,406 | 1,540 | 1,647 | 417 | 908 | 23.8 | 26.0 | 27.8 | 7.1 | 15.3 |
| 1962 | 1,609 | 1,685 | 1,876 | 401 | 1,051 | 24.3 | 25.4 | 28.3 | 6.1 | 15.9 |
| 1963 | 1,733 | 1,888 | 2,053 | 444 | 1,294 | 23.4 | 25.5 | 27.7 | 6.0 | 17.4 |
| 1964 | 2,012 | 2,230 | 2,242 | 561 | 1,495 | 23.6 | 26.1 | 26.2 | 6.6 | 17.5 |
| 1965 | 2,042 | 2,316 | 2,305 | 592 | 1,702 | 22.8 | 25.9 | 25.7 | 6.6 | 19.0 |
| 1966 | 2,216 | 2,681 | 2,784 | 597 | 1,778 | 22.0 | 26.7 | 27.7 | 5.9 | 17.7 |
| 1967 1st half | 1,166 | 1,470 | 1,517 | 289 | 1,018 | 21.4 | 26.9 | 27.8 | 5.3 | 18.6 |
| INDIA *(rupee)*[b] | | | | | | | | | | |
| 1961 | 1,191 | 599 | 2,585 | 907 | 4,864 | 11.7 | 5.9 | 25.5 | 8.9 | 48.0 |
| 1962 | 1,387 | 672 | 2,824 | 869 | 4,869 | 13.1 | 6.3 | 26.6 | 8.2 | 45.8 |
| 1963 | 1,675 | 782 | 2,609 | 932 | 5,231 | 14.9 | 7.0 | 23.2 | 8.3 | 46.6 |
| 1964 | 1,901 | 500 | 2,622 | 980 | 5,833 | 16.1 | 4.2 | 22.1 | 8.3 | 49.3 |
| 1965 | 3,256 | 560 | 2,844 | 1,110 | 6,431 | 22.9 | 4.0 | 20.0 | 7.8 | 45.3 |
| 1966 | 6,267 | 955 | 4,276 | 1,067 | 7,181 | 31.7 | 4.8 | 21.7 | 5.4 | 36.4 |
| 1967 1st half | 3,535 | 410 | 2,705 | 805 | 3,818 | 31.4 | 3.6 | 24.0 | 7.1 | 33.9 |
| INDONESIA *(new rupiah)*[c] | | | | | | | | | | |
| 1961 | 1,012 | 2,100 | 2,005 | 342 | 2,434 | 12.8 | 26.6 | 25.4 | 4.3 | 30.9 |
| 1962 | *829* | *1,722* | *1,644* | *278* | *2,001* | *12.8* | *26.6* | *25.4* | *4.3* | *30.9* |
| 1963 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 1964 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 1965 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 1966 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| KOREA, Republic of[d] *(U.S. dollar)* | | | | | | | | | | |
| 1961 | 40.1 | 32.5 | 141.5 | 34.2 | 51.5 | 13.4 | 10.8 | 47.2 | 11.4 | 17.2 |
| 1962 | 48.6 | 19.3 | 213.2 | 42.0 | 98.4 | 11.5 | 4.6 | 50.6 | 10.0 | 23.3 |
| 1963 | 120.6 | 23.1 | 208.1 | 56.4 | 151.7 | 21.5 | 4.1 | 37.2 | 10.1 | 27.1 |
| 1964 | 68.2 | 13.8 | 204.0 | 27.8 | 82.7 | 17.2 | 3.5 | 51.4 | 7.0 | 20.9 |
| 1965 | 63.5 | 17.2 | 248.4 | 24.1 | 86.6 | 14.4 | 3.9 | 56.5 | 5.5 | 16.7 |
| 1966 | 72.4 | 19.1 | 296.0 | 76.3 | 211.8 | 10.7 | 2.8 | 43.8 | 11.3 | 31.4 |
| 1967 1st half | 32.7 | 24.6 | 152.1 | 32.5 | 168.6 | 8.0 | 6.0 | 37.0 | 7.9 | 41.1 |
| LAOS *(kip)* | | | | | | | | | | |
| 1961 | 295 | 524 | 150 | 171 | 187 | 22.2 | 39.5 | 11.3 | 12.9 | 14.1 |
| 1962 | 589 | 664 | 158 | 236 | 282 | 30.5 | 34.4 | 8.2 | 12.3 | 14.6 |
| 1963 | 572 | 665 | 230 | 334 | 522 | 24.6 | 28.6 | 9.9 | 14.4 | 22.5 |
| 1964 | 1,392 | 2,333 | 402 | 403 | 1,593 | 22.7 | 38.1 | 6.6 | 6.6 | 26.0 |
| 1965 | 1,705 | 2,537 | 781 | 944 | 1,926 | 21.6 | 32.1 | 9.9 | 12.0 | 24.4 |
| 1966 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |

## 21. COMPOSITION OF IMPORTS *(Cont'd)*

| | VALUE *(in millions)* | | | | | PERCENTAGE DISTRIBUTION | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Consumption goods | | Materials chiefly for consumption goods | Materials chiefly for capital goods | Capital goods | Consumption goods | | Materials chiefly for consumption goods | Materials chiefly for capital goods | Capital goods |
| | Food | Others | | | | Food | Others | | | |
| MALAYSIA *(Malaysian dollar)* | | | | | | | | | | |
| EAST: | | | | | | | | | | |
| SABAH | | | | | | | | | | |
| 1961 | 38.8 | 75.6 | 29.0 | 15.6 | 55.6 | 18.1 | 35.2 | 13.5 | 7.3 | 25.9 |
| 1962 | 40.8 | 91.6 | 22.8 | 17.5 | 65.4 | 17.1 | 38.5 | 9.6 | 7.3 | 27.5 |
| 1963 | 51.1 | 116.0 | 24.2 | 22.8 | 90.4 | 16.8 | 38.1 | 7.9 | 7.6 | 29.6 |
| 1964 | 57.7 | 98.5 | 23.6 | 23.8 | 90.4 | 19.6 | 33.5 | 8.0 | 8.1 | 30.8 |
| 1965 | 57.4 | 118.1 | 22.7 | 28.0 | 108.2 | 17.1 | 35.3 | 6.8 | 8.4 | 32.4 |
| 1966 | 63.7 | 100.5 | 23.1 | 31.8 | 123.3 | 18.6 | 29.3 | 6.8 | 9.3 | 36.0 |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| SARAWAK | | | | | | | | | | |
| 1961 | 66.2 | 53.5 | 209.6 | 12.7 | 41.1 | 17.3 | 14.0 | 54.7 | 3.3 | 10.7 |
| 1962 | 68.3 | 54.1 | 215.8 | 11.9 | 47.2 | 17.2 | 13.6 | 54.3 | 3.0 | 11.9 |
| 1963 | 77.3 | 55.9 | 191.7 | 12.6 | 56.4 | 19.6 | 14.2 | 48.7 | 3.3 | 14.2 |
| 1964 | 86.1 | 54.6 | 197.0 | 14.2 | 65.3 | 20.2 | 15.1 | 46.1 | 3.3 | 15.1 |
| 1965 | 89.3 | 73.6 | 212.1 | 21.2 | 88.6 | 18.4 | 15.2 | 43.7 | 4.4 | 18.3 |
| 1966 | 93.3 | 74.5 | 239.5 | 23.0 | 95.5 | 17.7 | 14.2 | 45.5 | 4.4 | 18.2 |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| WEST[e] | | | | | | | | | | |
| 1961 | 1,006 | 1,124 | 1,035 | 613 | 795 | 22.0 | 24.6 | 22.6 | 13.4 | 17.4 |
| 1962 | 993 | 1,072 | 1,161 | 621 | 964 | 20.7 | 22.3 | 24.1 | 12.9 | 20.0 |
| 1963 | 1,193 | 1,148 | 1,050 | 591 | 1,063 | 23.6 | 22.8 | 20.8 | 11.7 | 21.1 |
| 1964 | 1,057 | 986 | 704 | 467 | 1,062 | 24.7 | 23.1 | 16.5 | 10.9 | 24.8 |
| 1965 | 1,029 | 1,059 | 846 | 443 | 1,215 | 22.4 | 23.1 | 18.4 | 9.6 | 26.5 |
| 1966 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| PAKISTAN *(rupee)* | | | | | | | | | | |
| 1961 | 547 | 304 | 501 | 480 | 1,224 | 17.9 | 9.9 | 16.4 | 15.7 | 40.1 |
| 1962 | 293 | 300 | 667 | 428 | 1,826 | 8.3 | 8.5 | 19.0 | 12.2 | 52.0 |
| 1963 | 714 | 281 | 767 | 439 | 2,031 | 16.9 | 6.6 | 18.1 | 10.4 | 48.0 |
| 1964 | *869* | *333* | *788* | *613* | *2,147* | *18.3* | *7.0* | *16.6* | *12.9* | *45.2* |
| 1965 | 739 | 296 | 875 | 483 | 2,573 | 14.9 | 6.0 | 17.6 | 9.7 | 51.8 |
| 1966 | 450 | 271 | 1,030 | 460 | 2,073 | 10.5 | 6.3 | 24.0 | 10.8 | 48.4 |
| 1967 1st half | 535 | 157 | 524 | 326 | 1,361 | 18.4 | 5.4 | 18.1 | 11.2 | 46.9 |
| PHILIPPINES[f] *(U.S. dollar)* | | | | | | | | | | |
| 1961 | 101.6 | 61.5 | 138.1 | 35.1 | 274.1 | 16.6 | 10.1 | 22.6 | 5.8 | 44.9 |
| 1962 | 87.4 | 57.3 | 162.0 | 24.0 | 255.7 | 14.9 | 9.8 | 27.6 | 4.1 | 43.6 |
| 1963 | 104.6 | 56.9 | 157.3 | 25.1 | 274.2 | 16.9 | 9.2 | 25.4 | 4.1 | 44.4 |
| 1964 | 122.7 | 64.3 | 198.0 | 40.4 | 354.3 | 15.7 | 8.3 | 25.4 | 5.2 | 45.4 |
| 1965 | 155.2 | 64.4 | 188.6 | 44.2 | 353.4 | 19.3 | 8.0 | 23.4 | 5.5 | 43.8 |
| 1966 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| THAILAND *(Baht)* | | | | | | | | | | |
| 1961 | 765 | 3,209 | 1,408 | 1,026 | 3,719 | 7.6 | 31.7 | 13.9 | 10.1 | 36.7 |
| 1962 | 755 | 3,331 | 1,565 | 1,177 | 4,520 | 6.6 | 29.4 | 13.8 | 10.4 | 39.8 |
| 1963 | 812 | 3,163 | 1,804 | 1,275 | 5,601 | 6.4 | 25.0 | 14.3 | 10.1 | 44.2 |
| 1964 | 876 | 3,315 | 2,441 | 1,391 | 6,126 | 6.2 | 23.4 | 17.3 | 9.8 | 43.3 |
| 1965 | 891 | 4,138 | 2,915 | 1,191 | 6,914 | 5.5 | 25.8 | 18.2 | 7.4 | 43.1 |
| 1966 | 2,173 | 6,980 | 3,941 | 2,705 | 9,424 | 8.6 | 27.7 | 15.6 | 10.7 | 37.4 |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| VIET-NAM, Republic of *(piastre)* | | | | | | | | | | |
| 1961 | 1,008 | 2,091 | 1,923 | 1,055 | 2,844 | 11.3 | 23.4 | 21.6 | 11.8 | 31.9 |
| 1962 | 1,281 | 1,644 | 1,861 | 1,107 | 3,338 | 13.9 | 17.8 | 20.2 | 12.0 | 36.1 |
| 1963 | 1,569 | 1,532 | 2,633 | 1,427 | 2,855 | 15.7 | 15.3 | 26.3 | 14.2 | 28.5 |
| 1964 | 1,487 | 2,260 | 2,129 | 1,144 | 3,390 | 14.3 | 21.7 | 20.4 | 11.0 | 32.6 |
| 1965 | 1,558 | 1,940 | 3,353 | 1,212 | 4,441 | 12.5 | 15.5 | 26.8 | 9.7 | 35.5 |
| 1966 | 3,707 | 4,629 | 6,206 | 1,968 | 11,875 | 13.1 | 16.3 | 21.9 | 6.9 | 41.8 |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| AUSTRALIA$\phi$ *(Australian dollar)* | | | | | | | | | | |
| 1961 | 97.7 | 464.6 | 596.8 | 125.7 | 852.9 | 4.6 | 21.7 | 27.9 | 5.9 | 39.9 |
| 1962 | 84.0 | 419.4 | 511.7 | 98.9 | 626.8 | 4.8 | 24.1 | 29.4 | 5.7 | 36.0 |
| 1963 | 86.3 | 463.7 | 626.1 | 109.7 | 840.1 | 4.1 | 21.8 | 29.4 | 5.2 | 39.5 |
| 1964 | 99.0 | 495.0 | 677.3 | 114.2 | 947.9 | 4.3 | 21.2 | 29.0 | 4.9 | 40.6 |
| 1965 | 110.5 | 586.9 | 763.1 | 178.0 | 1,221.2 | 3.9 | 20.5 | 26.7 | 6.2 | 42.7 |
| 1966 | 121.3 | 581.7 | 745.2 | 135.5 | 1,312.9 | 4.2 | 20.1 | 25.7 | 4.7 | 45.3 |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| JAPAN *(yen)* | | | | | | | | | | |
| 1961 | 230,296 | 43,181 | 933,593 | 634,398 | 246 097 | 11.0 | 2.1 | 44.7 | 30.4 | 11.8 |
| 1962 | 252,622 | 49,877 | 920,280 | 501,803 | 301,490 | 12.5 | 2.4 | 45.4 | 24.8 | 14.9 |
| 1963 | 377,212 | 72,242 | 1,129,757 | 522,066 | 318,424 | 15.6 | 3.0 | 46.7 | 21.6 | 13.1 |
| 1964 | 477,775 | 97,924 | 1,256,437 | 697,529 | 327,506 | 16.7 | 3.4 | 44.0 | 24.4 | 11.5 |
| 1965 | 509,772 | 109,468 | 1,313,201 | 726,599 | 281,807 | 17.3 | 3.7 | 44.7 | 24.7 | 9.6 |
| 1966 | 576,590 | 136,385 | 1,574,603 | 835,238 | 305,376 | 16.8 | 4.0 | 45.9 | 24.4 | 8.9 |
| 1967 1st half | 315,[illegible]34 | 79,003 | 889,435 | 573,743 | 195,347 | 15.4 | 3.9 | 43.3 | 27.9 | 9.5 |

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GENERAL NOTE RELATING TO TABLES 21 and 22: Total of the five groups of imports or exports do not add up to total imports or exports published in national trade returns, because (1) in a few countries a small part of the imports or exports (in no case more than 4%) are not included in the commodity trade statistics published by governments, and (2) of rounding. Percentage distribution refers to percentages of the totals of the five groups of commodities.

a. Regional totals in US dollars including all developing ECAFE countries listed in the table, except Burma, which is excluded for 1964-1966, Indonesia for 1962-1966, Laos, West Malaysia (including Singapore) and Philippines for 1966.

b. The trade for the period January-May 1966 has been revalued at the new rate of 7.50 rupees per U.S. dollar introduced in June 1966 (prior to 1966: the trade is valued at the rate of 4.76 rupees per U.S. dollar).

c. Data for 1961-1962 are converted from old rupiah into U.S. dollar at the rate of 45.0 rupiah per U.S. dollar, and are again converted into new rupiah at the rate of 10 new rupiah per U.S. dollar.

d. Including foreign aid.

e. Including Singapore.

f. f.o.b. value.

## 22. COMPOSITION OF EXPORTS

| | VALUE *(in millions)* | | | | PERCENTAGE DISTRIBUTION | | | |
|---|---|---|---|---|---|---|---|---|
| | Consumption goods | Materials chiefly for consumption goods | Materials chiefly for capital goods | Capital goods | Consumption goods | Materials chiefly for consumption goods | Materials chiefly for capital goods | Capital goods |
| MALAYSIA: WEST[a] *(Malaysian dollar)* | | | | | | | | |
| 1961 | 722 | 2,374 | 922 | 137 | 17.4 | 57.1 | 22.2 | 3.3 |
| 1962 | 740 | 2,275 | 990 | 185 | 17.7 | 54.3 | 23.6 | 4.4 |
| 1963 | 826 | 2,182 | 1,071 | 166 | 19.5 | 51.4 | 25.2 | 3.9 |
| 1964 | 638 | 1,710 | 1,192 | 136 | 17.4 | 46.5 | 32.4 | 3.7 |
| 1965 | 722 | 1,826 | 1,386 | 169 | 17.6 | 44.5 | 33.8 | 4.1 |
| 1966 | ... | ... | ... | ... | ... | ... | ... | ... |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... |
| HONG KONG *(Hong Kong dollar)* | | | | | | | | |
| 1961 | 2,853 | 507 | 189 | 335 | 73.4 | 13.1 | 4.9 | 8.6 |
| 1962 | 3,319 | 564 | 109 | 371 | 76.1 | 12.9 | 2.5 | 8.5 |
| 1963 | 3,857 | 597 | 113 | 424 | 77.3 | 11.9 | 2.3 | 8.5 |
| 1964 | 4,475 | 641 | 133 | 505 | 77.8 | 11.1 | 2.3 | 8.8 |
| 1965 | 4,932 | 750 | 160 | 669 | 75.7 | 11.5 | 2.5 | 10.3 |
| 1966 | 5,588 | 849 | 188 | 915 | 74.1 | 11.3 | 2.5 | 12.1 |
| 1967 1st half | 2,995 | 522 | 98 | 536 | 72.2 | 12.6 | 2.3 | 12.9 |
| INDIA *(rupee)*[b] | | | | | | | | |
| 1961 | 4,521 | 1,335 | 669 | 74 | 68.5 | 20.2 | 10.2 | 1.1 |
| 1962 | 4,682 | 1,380 | 521 | 81 | 70.3 | 20.7 | 7.8 | 1.2 |
| 1963 | 5,274 | 1,568 | 664 | 95 | 69.4 | 20.6 | 8.7 | 1.2 |
| 1964 | 5,517 | 1,650 | 854 | 146 | 67.5 | 20.2 | 10.5 | 1.8 |
| 1965 | 5,215 | 1,481 | 819 | 215 | 67.5 | 19.1 | 10.6 | 2.8 |
| 1966 | 7,750 | 2,392 | 1,323 | 407 | 65.2 | 20.2 | 11.2 | 3.4 |
| 1967 1st half | 3,511 | 1,206 | 748 | 243 | 61.5 | 21.1 | 13.1 | 4.3 |
| AUSTRALIA$\phi$ *(Australian dollar)* | | | | | | | | |
| 1961 | 766.3 | 780.2 | 196.5 | 114.5 | 41.3 | 42.0 | 10.6 | 6.1 |
| 1962 | 901.6 | 875.1 | 222.4 | 137.3 | 42.2 | 41.0 | 10.4 | 6.4 |
| 1963 | 890.7 | 906.4 | 211.5 | 129.6 | 41.6 | 42.4 | 9.9 | 6.1 |
| 1964 | 1,190.3 | 1,141.4 | 256.5 | 180.0 | 43.0 | 41.2 | 9.3 | 6.5 |
| 1965 | 1,149.4 | 990.2 | 290.8 | 202.2 | 43.7 | 37.6 | 11.0 | 7.7 |
| 1966 | 1,102.3 | 981.4 | 380.8 | 230.8 | 40.9 | 36.4 | 14.1 | 8.6 |
| 1967 1st half | ... | ... | ... | ... | ... | ... | ... | ... |
| JAPAN *(yen)* | | | | | | | | |
| 1961 | 618,468 | 201,065 | 73,048 | 624,314 | 40.8 | 13.2 | 4.8 | 41.2 |
| 1962 | 714,069 | 250,359 | 74,389 | 721,576 | 40.6 | 14.2 | 4.2 | 41.0 |
| 1963 | 701,561 | 278,743 | 91,744 | 879,530 | 35.9 | 14.3 | 4.7 | 45.1 |
| 1964 | 819,314 | 332,045 | 116,389 | 1,134,600 | 34.1 | 13.8 | 4.9 | 47.2 |
| 1965 | 914,506 | 417,978 | 173,666 | 1,536,477 | 30.0 | 13.8 | 5.7 | 50.5 |
| 1966 | 1,045,490 | 494,541 | 156,826 | 1,822,643 | 29.7 | 14.1 | 4.4 | 51.8 |
| 1967 1st half | 501,584 | 229,769 | 71,909 | 933,156 | 28.9 | 13.2 | 4.3 | 53.7 |

*GENERAL NOTE:* See table 21.

[a] Including Singapore.

[b] The trade for the period January-May 1966 has been revalued at the new rate of 7.50 rupees per U.S.$ introduced in June 1966 (prior to 1966: the trade is valued at the rate of 4.76 rupees per U.S.$).

## 23. VALUE OF IMPORTS BY PRINCIPAL COMMODITY GROUPS

*Monthly averages or calendar months*

|  | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 |  | 1967 |  |  |  |  |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
|  |  |  |  |  |  |  | III | IV | I | II | III | Oct | Nov |
| **AFGHANISTAN*** *(million Afghanis)* |  |  |  |  |  | (a) | (a) | (a) | (a) |  |  |  |  |
| Food | 44.0 | 36.5 | 59.6 | 116.5 | 131.7 | 88.7 | 73.3 | 81.5 | 92.8 | ... | ... | ... | ... |
| Wheat | 14.6 | 3.7 | 30.5 | 58.0 | — | — | — | — | — | ... | ... | ... | ... |
| Sugar | 17.3 | 14.9 | 10.5 | 35.1 | 38.8 | 40.0 | 34.0 | 31.3 | 43.6 | ... | ... | ... | ... |
| Tea | 10.1 | 15.7 | 15.5 | 20.5 | 17.1 | 37.9 | 28.4 | 38.9 | 40.7 | ... | ... | ... | ... |
| Mineral fuels, lubricants and related materials | 25.6 | 29.7 | 39.1 | 45.4 | 32.8 | 27.3 | 3.9 | 5.5 | 7.0 | ... | ... | ... | ... |
| Chemicals | 5.4 | 8.2 | 20.7 | 19.2 | 19.6 | 26.9 | 33.1 | 25.3 | 20.8 | ... | ... | ... | ... |
| Textile fabrics | 31.2 | 46.5 | 39.9 | 47.5 | 49.8 | 54.5 | 53.4 | 55.3 | 51.9 | ... | ... | ... | ... |
| Machinery & transport equipment | 24.9 | 34.6 | 52.8 | 54.7 | 65.1 | 52.2 | 54.3 | 3[illegible].5 | 46.8 | ... | ... | ... | ... |
| **BRUNEI** *(million Malaysian dollars)* |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Food | 1.08 | 1.12 | 1.34 | 1.59 | 1.68 | 2.11 | 2.16 | 2.14 | 1.94 | ... | ... | ... | ... |
| Mineral fuels, lubricants and related materials | 0.16 | 0.14 | 0.13 | 0.14 | 0.14 | 0.26 | 0.33 | 0.27 | 0.19 | ... | ... | ... | ... |
| Chemicals | 0.28 | 0.27 | 0.31 | 0.40 | 0.51 | 0.55 | 0.67 | 0.63 | 0.57 | ... | ... | ... | ... |
| Textiles | 0.10 | 0.11 | 0.12 | 0.14 | 0.13 | 0.18 | 0.17 | 0.21 | 0.11 | ... | ... | ... | ... |
| Machinery | 0.62 | 0.52 | 0.91 | 1.62 | 2.35 | 3.11 | 2.17 | 2.35 | 1.97 | ... | ... | ... | ... |
| Transport equipment | 0.24 | 0.25 | 0.35 | 0.74 | 0.82 | 1.48 | 1.28 | 1.15 | 1.29 | ... | ... | ... | ... |
| Other manufactured goods | 1.74 | 1.05 | 1.42 | 2.48 | 2.54 | 3.66 | 3.45 | 3.70 | 3.67 | ... | ... | ... | ... |
| **BURMA** *(million kyats)* |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Food | 9.8 | 9.4 | 10.0 | 9.7 | 11.9 | ... | ... | ... | ... | ... | ... | ... | ... |
| Chemicals | 7.5 | 9.1 | 9.4 | 8.8 | 8.2 | ... | ... | ... | ... | ... | ... | ... | ... |
| Textiles | 23.7 | 21.1 | 22.7 | 20.1 | 27.0 | ... | ... | ... | ... | ... | ... | ... | ... |
| Base metals and manufactures | 8.5 | 10.2 | 10.8 | 10.5 | 11.9 | ... | ... | ... | ... | ... | ... | ... | ... |
| Machinery | 8.6 | 11.9 | 15.6 | 9.8 | 11.3 | ... | ... | ... | ... | ... | ... | ... | ... |
| Transport equipment | 5.0 | 4.7 | 6.1 | 9.8 | 6.3 | ... | ... | ... | ... | ... | ... | ... | ... |
| Other manufactured goods | 13.1 | 11.7 | 10.7 | 10.5 | 10.6 | ... | ... | ... | ... | ... | ... | ... | ... |
| **CAMBODIA** *(million riels)* |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Food | 25.5 | 29.9 | 24.2 | 20.1 | 12.4 | 14.3 | 13.1 | 11.3 | 19.0 | 14.4 | ... | ... | ... |
| Beverages and tobacco | 8.3 | 7.5 | 7.3 | 3.3 | 3.8 | 4.3 | 5.5 | 3.5 | 3.4 | 2.6 | ... | ... | ... |
| Mineral fuels, lubricants and related materials | 22.1 | 22.0 | 26.0 | 18.8 | 20.4 | 25.7 | 27.3 | 26.7 | 24.2 | 26.6 | ... | ... | ... |
| Textiles | 30.7 | 33.7 | 45.5 | 40.6 | 46.4 | 42.0 | 25.8 | 35.9 | 29.7 | 22.6 | ... | ... | ... |
| Base metals and manufactures | 32.5 | 39.4 | 38.2 | 24.8 | 45.4 | 51.1 | 43.3 | 34.4 | 42.8 | 38.7 | ... | ... | ... |
| Machinery | 43.8 | 39.9 | 40.8 | 37.3 | 50.3 | 63.2 | 63.2 | 69.9 | 58.4 | 52.1 | ... | ... | ... |
| Transport equipment | 36.5 | 33.9 | 28.3 | 17.5 | 24.1 | 27.2 | 21.3 | 20.6 | 21.6 | 21.1 | ... | ... | ... |
| **CEYLON** *(million rupees)* |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Food | 55.6 | 52.4 | 52.6 | 84.2 | 49.8[b] | 79.7 | 86.4 | 69.7 | 76.1 | 86.1 | 52.3 | 52.1 | 44.0 |
| Cereals and cereal preparations | 24.3 | 22.6 | 21.5 | 39.2 | 20.6 | 40.5 | 42.9 | 33.5 | 49.7 | 56.1 | 27.2 | 18.4 | 17.3 |
| Mineral fuels, lubricants and related materials | 11.4 | 11.3 | 10.8 | 8.9 | 10.0 | 11.3 | 10.3 | 16.4 | 9.1 | 12.4 | 13.0 | 6.0 | 15.7 |
| Chemicals | 10.2 | 10.9 | 10.3 | 12.2 | 12.7 | 15.4 | 18.0 | 15.7 | 16.0 | 11.8 | 14.9 | 12.8 | 9.1 |
| Textiles | 14.4 | 13.5 | 7.9 | 15.3 | 12.6 | 14.2 | 16.0 | 11.1 | 7.9 | 8.8 | 13.0 | 11.1 | 9.7 |
| Machinery | 12.7 | 11.7 | 11.9 | 12.0 | 8.3 | 13.3 | 11.8 | 21.4 | 14.5 | 12.6 | 15.6 | 21.4 | 9.3 |
| Transport equipment | 6.9 | 6.2 | 6.6 | 4.0 | 6.4 | 8.7 | 11.4 | 8.0 | 7.2 | 8.2 | 6.6 | 6.0 | 4.3 |
| Other manufactured goods | 26.1 | 27.7 | 19.8 | 24.2 | 18.9 | 22.0 | 22.3 | 21.5 | 21.2 | 16.7 | 18.4 | 22.8 | 13.5 |
| **CHINA (Taiwan)** *(million new Taiwan dollars)* |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Food | 114.8 | 98.7 | 123.9 | 137.5 | 153.1 | 141.3 | 106.7 | 295.7 | ... | ... | ... | ... | ... |
| Crude materials, inedible, except fuels | 265.5 | 251.1 | 376.6 | 419.3 | 476.2 | 486.7 | 450.5 | 627.8 | ... | ... | ... | ... | ... |
| Oil-seeds, oil nuts and oil kernels | 53.0 | 23.8 | 67.5 | 79.5 | 66.7 | 71.3 | 54.4 | 57.1 | ... | ... | ... | ... | ... |
| Textile fibres, raw | 120.8 | 134.1 | 183.8 | 170.2 | 194.6 | 201.7 | 180.5 | 347.4 | ... | ... | ... | ... | ... |
| Mineral fuels, lubricants and related materials | 88.0 | 80.9 | 88.4 | 86.8 | 90.4 | 157.5 | 136.3 | 219.4 | ... | ... | ... | ... | ... |
| Chemicals | 137.8 | 158.5 | 134.0 | 193.6 | 237.7 | 235.7 | 238.8 | 255.2 | ... | ... | ... | ... | ... |
| Base metals and manufactures | 98.1 | 30.6 | 34.3 | 43.9 | 207.4 | 254.8 | 242.0 | 345.0 | ... | ... | ... | ... | ... |
| Machinery | 204.6 | 181.9 | 203.0 | 230.2 | 385.8 | 429.3 | 406.7 | 724.8 | ... | ... | ... | ... | ... |
| Transport equipment | 66.8 | 40.7 | 40.9 | 69.1 | 147.5 | 180.8 | 236.0 | 149.3 | ... | ... | ... | ... | ... |
| Other manufactured goods | 68.9 | 141.8 | 171.4 | 209.3 | 121.2 | 154.6 | 140.3 | 177.2 | ... | ... | ... | ... | ... |
| **HONG KONG**[c] *(million Hong Kong dollars)* |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Food | 100.7 | 112.5 | 122.8 | 141.0 | 147.0 | 159.7 | 177.6 | 162.4 | 186.6 | 163.0 | 141.7 | 193.0 | 236.2 |
| Live animals, chiefly for food | 17.3 | 21.3 | 25.8 | 31.1 | 36.7 | 38.8 | 48.2 | 33.9 | 35.4 | 28.1 | 24.9 | 28.3 | 34.9 |
| Cereals and cereal preparations | 26.9 | 33.5 | 34.2 | 31.6 | 30.4 | 34.4 | 34.5 | 29.4 | 57.8 | 51.0 | 41.8 | 53.3 | 51.4 |
| Fruits and vegetables | 16.6 | 17.3 | 19.3 | 23.7 | 26.2 | 27.0 | 31.3 | 27.4 | 30.7 | 26.8 | 28.3 | 35.6 | 47.9 |
| Beverages and tobacco | 10.0 | 11.4 | 13.2 | 14.9 | 16.6 | 16.2 | 15.4 | 16.4 | 16.9 | 14.6 | 14.8 | 17.4 | 20.5 |
| Crude materials, inedible, except fuels | 48.9 | 50.1 | 57.7 | 62.2 | 64.0 | 71.5 | 79.4 | 77.5 | 83.5 | 69.0 | 51.0 | 57.9 | 79.8 |
| Raw cotton | 31.3 | 28.1 | 32.7 | 34.8 | 34.8 | 38.2 | 41.2 | 39.0 | 42.1 | 36.6 | 28.0 | 2.2 | 40.6 |
| Mineral fuels, lubricants and related materials | 17.1 | 18.8 | 20.7 | 20.2 | 21.9 | 25.2 | 19.3 | 28.8 | 23.5 | 25.8 | 30.0 | 38.5 | 27.4 |
| Chemicals | 29.6 | 31.8 | 30.2 | 41.3 | 36.1 | 41.1 | 49.7 | 45.7 | 47.1 | 49.2 | 38.1 | 33.0 | 52.3 |
| Textiles | 61.5 | 70.7 | 83.3 | 99.9 | 88.3 | 109.7 | 139.9 | 114.1 | 98.8 | 98.7 | 61.3 | 92.2 | 139.5 |
| Machinery | 35.4 | 40.6 | 53.8 | 64.7 | 76.7 | 88.1 | 91.5 | 104.7 | 102.2 | 95.9 | 72.4 | 64.2 | 79.3 |
| Transport equipment | 10.9 | 13.3 | 12.8 | 14.5 | 15.4 | 13.4 | 12.7 | 15.2 | 15.7 | 18.3 | 7.4 | 1.6 | 9.8 |
| Other manufactured goods | 94.1 | 108.8 | 121.5 | 135.2 | 151.0 | 157.6 | 165.3 | 172.5 | 168.2 | 154.3 | 124.6 | 161.5 | 223.5 |

## 23. VALUE OF IMPORTS BY PRINCIPAL COMMODITY GROUPS *(Cont'd)*

*Monthly averages or calendar months*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| INDIA *(million rupees)*[d] | | | | | | | | | | | | | |
| Food | 99.3 | 115.6 | 139.6 | 158.4 | 271.3 | 522.4 | 584.4 | 450.0 | 692.7 | 485.6 | 517.3 | 428.4 | 488.4 |
| Crude materials, inedible, except fuels | 111.7 | 105.4 | 97.7 | 100.7 | 106.5 | 159.8 | 131.5 | 184.9 | 210.7 | 213.7 | 170.4 | 106.8 | 111.9 |
| Cotton raw and waste | 57.8 | 48.3 | 35.8 | 46.7 | 43.2 | 44.7 | 40.6 | 16.7 | 94.1 | 118.9 | 78.3 | 31.7 | 8.0 |
| Petroleum and products | 66.3 | 78.5 | 83.0 | 66.7 | 56.3 | 64.7 | 63.4 | 48.6 | 47.5 | 49.7 | 56.7 | 86.7 | 147.6 |
| Chemicals | 74.1 | 79.6 | 72.7 | 76.6 | 89.2 | 147.0 | 175.4 | 160.6 | 177.3 | 185.2 | 217.3 | 202.7 | 238.8 |
| Base metals and manufactures | 138.7 | 133.4 | 131.7 | 147.7 | 166.8 | 153.1 | 127.7 | 175.8 | 224.5 | 234.4 | 179.8 | 156.8 | 139.0 |
| Machinery | 245.3 | 255.6 | 287.0 | 323.0 | 361.4 | 439.4 | 319.5 | 461.6 | 456.7 | 395.1 | 302.3 | 260.1[p] | 449.7 |
| Transport equipment | 47.8 | 51.5 | 51.7 | 53.6 | 61.7 | 52.4 | 45.7 | 41.5 | 68.3 | 55.9 | 62.8 | 43.4 | 44.8 |
| Other manufactured goods | 51.9 | 51.5 | 61.6 | 49.6 | 46.5 | 54.5 | 50.7 | 54.4 | 77.4 | 76.3 | 56.8 | 43.4 | 41.1 |
| INDONESIA *(million new rupiah)*[e] | | | | | | | | | | | | | |
| Live animals, food products, beverages and tobacco | 87.5 | 67.0 | 78.1 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Chemicals and allied products | 65.8 | 63.0 | 58.8 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Textiles, apparel and footware | 178.4 | 110.2 | 68.3 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Base metals and manufactures | 67.2 | 59.6 | 34.4 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Machinery & transport equipment | 138.1 | 155.5 | 102.5 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| IRAN* *(million rials)*[f] | | | | | | | | | | | | | |
| Food, beverages and tobacco | 496.9 | 337.2 | 390.5 | 814.6 | 513.1 | ... | ... | ... | ... | ... | ... | ... | ... |
| Sugar | 266.2 | 95.0 | 190.8 | 376.5 | 167.8 | ... | ... | ... | ... | ... | ... | ... | ... |
| Tea | 62.8 | 62.3 | 63.5 | 63.0 | 107.5 | ... | ... | ... | ... | ... | ... | ... | ... |
| Chemicals | 277.9 | 340.7 | 320.0 | 421.6 | 448.9 | ... | ... | ... | ... | ... | ... | ... | ... |
| Base metals and manufactures | 572.5 | 591.3 | 537.1 | 712.1 | 947.8 | ... | ... | ... | ... | ... | ... | ... | ... |
| Machinery | 1,056.8 | 879.7 | 704.2 | 1,010.9 | 1,518.3 | ... | ... | ... | ... | ... | ... | ... | ... |
| Transport equipment | 329.2 | 240.5 | 276.8 | 492.0 | 585.8 | ... | ... | ... | ... | ... | ... | ... | ... |
| KOREA, Republic of *(million US dollars)* | | | | | | | | | | | | | |
| Food | 3.34 | 4.05 | 10.05 | 5.69 | 5.29 | 6.03 | 3.34 | 6.94 | 5.35 | 5.53 | 6.10 | 9.63 | 6.99 |
| Cereals and cereal preparations | 2.52 | 3.34 | 8.94 | 5.06 | 4.54 | 5.11 | 2.57 | 5.95 | 4.53 | 4.45 | 4.05 | 8.28 | 5.57 |
| Beverages and tobacco | — | 0.01 | 0.03 | 0.01 | 0.02 | 0.02 | 0.01 | 0.03 | 0.05 | 0.05 | 0.06 | 0.13 | 0.06 |
| Crude materials, inedible, except fuels | 5.27 | 7.47 | 8.92 | 8.09 | 9.17 | 12.83 | 12.91 | 16.25 | 12.73 | 15.79 | 18.77 | 18.98 | 18.95 |
| Chemicals | 5.14 | 7.78 | 6.66 | 7.03 | 8.62 | 11.21 | 3.80 | 25.23 | 7.41 | 5.21 | 10.35 | 15.83 | 12.00 |
| Textiles | 1.56 | 2.40 | 2.46 | 1.64 | 2.24 | 3.76 | 3.78 | 4.52 | 4.10 | 5.66 | 5.56 | 7.37 | 6.87 |
| Machinery | 3.43 | 5.26 | 7.02 | 4.82 | 4.00 | 10.14 | 12.44 | 10.41 | 12.49 | 13.03 | 16.30 | 16.05 | 17.66 |
| Transport equipment | 0.11 | 0.55 | 2.61 | 0.97 | 0.97 | 4.17 | 3.26 | 9.00 | 9.42 | 10.32 | 7.85 | 10.91 | 11.88 |
| Other manufactured goods | 2.21 | 4.54 | 5.57 | 2.65 | 4.25 | 7.54 | 9.98 | 8.90 | 10.17 | 9.22 | 11.29 | 11.71 | 13.29 |
| LAOS *(million kips)* | | | | | | | | | | | | | |
| Food | 36.2 | 60.6 | 59.9 | 122.9 | 142.1 | ... | 305.0 | ... | ... | ... | ... | ... | ... |
| Cereals and cereal preparations | 12.6 | 31.6 | 32.2 | 81.4 | 90.0 | ... | 241.2 | ... | ... | ... | ... | ... | ... |
| Petroleum products | 23.7 | 25.4 | 34.5 | 69.4 | 88.0 | ... | 172.2 | ... | ... | ... | ... | ... | ... |
| Chemicals | 8.5 | 7.8 | 7.6 | 30.9 | 36.4 | ... | 33.6 | ... | ... | ... | ... | ... | ... |
| Textiles | 11.5 | 18.4 | 16.0 | 47.4 | 56.4 | ... | 25.9 | ... | ... | ... | ... | ... | ... |
| Machinery | 7.5 | 10.6 | 16.5 | 45.0 | 60.9 | ... | 68.8 | ... | ... | ... | ... | ... | ... |
| Transport equipment | 4.6 | 8.4 | 13.8 | 57.1 | 65.5 | ... | 63.9 | ... | ... | ... | ... | ... | ... |
| Other manufactured goods | 16.1 | 19.3 | 34.8 | 101.1 | 134.1 | ... | 80.3 | ... | ... | ... | ... | ... | ... |
| MALAYSIA *(million Malaysian dollars)* | | | | | | | | | | | | | |
| EAST | | | | | | | | | | | | | |
| SABAH | | | | | | | | | | | | | |
| Food | 3.24 | 3.40 | 4.25 | 4.80 | 4.78 | 5.30 | — 5.39 — | | — 5.70 — | | ... | ... | ... |
| Mineral fuels, lubricants and related materials | 1.21 | 1.55 | 1.75 | 2.23 | 2.42 | 3.09 | 3.34 | | 2.25 | | ... | ... | ... |
| Chemicals | 0.78 | 0.76 | 0.95 | 1.12 | 1.13 | 1.36 | 1.37 | | 1.37 | | ... | ... | ... |
| Textiles | 0.84 | 0.73 | 0.89 | 0.82 | 0.81 | 0.74 | 0.78 | | 0.62 | | ... | ... | ... |
| Machinery | 2.49 | 3.35 | 4.62 | 3.59 | 5.33 | 6.15 | 5.86 | | 5.98 | | ... | ... | ... |
| Transport equipment | 0.94 | 1.10 | 1.56 | 2.14 | 1.89 | 2.18 | 2.32 | | 2.35 | | ... | ... | ... |
| Other manufactured goods | 3.43 | 3.47 | 4.73 | 5.10 | 5.26 | 5.67 | 5.85 | | 5.30 | | ... | ... | ... |
| SARAWAK | | | | | | | | | | | | | |
| Food | 5.52 | 5.69 | 6.44 | 7.18 | 7.44 | 7.77 | 7.18 | 8.69 | 9.23 | 7.36 | 7.40 | ... | ... |
| Mineral fuels, lubricants and related materials | 16.80 | 17.26 | 15.57 | 15.97 | 17.70 | 19.82 | 20.69 | 20.16 | 20.20 | 20.30 | 21.05 | ... | ... |
| Chemicals | 1.32 | 1.22 | 1.24 | 1.40 | 1.63 | 1.97 | 2.18 | 2.21 | 1.63 | 2.09 | 2.24 | ... | ... |
| Textiles | 0.77 | 0.79 | 0.76 | 0.72 | 0.82 | 0.73 | 0.76 | 0.72 | 0.55 | 0.61 | 0.61 | ... | ... |
| Machinery | 1.70 | 2.15 | 2.41 | 3.08 | 4.10 | 4.15 | 4.35 | 4.00 | 3.72 | 5.40 | 4.21 | ... | ... |
| Transport equipment | 0.68 | 0.67 | 0.89 | 1.06 | 1.57 | 1.58 | 1.45 | 1.64 | 1.32 | 1.74 | 1.80 | ... | ... |
| Other manufactured goods | 3.10 | 3.15 | 3.46 | 5.22 | 4.56 | 5.36 | 5.47 | 5.65 | 4.68 | 4.97 | 5.23 | ... | ... |
| WEST | | | | | | | | | | | | | |
| Food | 46.8 | 46.9 | 54.7 | 56.4 | 51.2 | 50.9 | 55.9 | 46.3 | 53.4 | 57.8 | 51.8 | ... | ... |
| Cereals and cereal preparations | 16.0 | 17.1 | 21.4 | 20.8 | 18.0 | ... | 19.9 | ... | 21.4 | 28.1 | 23.5 | ... | ... |
| Crude materials, inedible, except fuels | 23.6 | 28.3 | 24.4 | 19.0 | 19.1 | 13.4 | 13.5 | 14.7 | 12.2 | 15.3 | 15.4 | ... | ... |
| Metal ores and scrap | 10.2 | 15,2 | 12.6 | 9.3 | 8.2 | ... | 2.4 | ... | 2.1 | 3.7 | 4.8 | ... | ... |
| Mineral fuels, lubricants and related materials | 11.9 | 12.6 | 12.7 | 13.9 | 14.5 | 16.2 | 20.2 | 15.3 | 16.2 | 13.2 | 15.7 | ... | ... |
| Textiles | 9.9 | 9.7 | 10.3 | 10.5 | 11.9 | ... | 11.9 | ... | 10.4 | 10.4 | 10.0 | ... | ... |
| Machinery | 20.0 | 23.4 | 24.4 | 25.0 | 27.8 | ... | 30.7 | ... | 33.2 | 33.1 | 29.8 | ... | ... |
| Transport equipment | 12.2 | 16.6 | 17.9 | 18.1 | 20.4 | ... | 21.0 | ... | 17.0 | 18.3 | 19.5 | ... | ... |
| Other manufactured goods | 35.1 | 41.4 | 41.4 | 40,9 | 44.4 | ... | 43.8 | ... | 42.1 | 46.3 | 44.5 | ... | ... |

## 23. VALUE OF IMPORTS BY PRINCIPAL COMMODITY GROUPS *(Cont'd)*

*Monthly averages or calendar months*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| **PAKISTAN** *(million rupees)* | | | | | | | | | | | | | |
| Mineral oils | 22.4 | 20.2 | 18.9 | 15.8 | 4.2 | *14.8* | 18.0 | *18.6* | 11.0 | *13.3* | 22.1 | 17.8 | 19.9 |
| Chemicals | 17.2 | 16.2 | 17.8 | 24.8 | 23.2 | *17.8* | 16.5 | *21.9* | 25.7 | *27.2* | 18.0 | 16.6 | 16.4 |
| Iron and steel manufactures | 34.6 | 34.7 | 45.6 | 58.7 | 46.6 | *39.1* | 30.2 | *56.0* | 60.8 | *69.5* | 30.4 | 26.1 | 30.2 |
| Machinery | 40.0 | 76.0 | 82.9 | 79.4 | 81.5 | *85.0* | 76.8 | *80.0* | 86.9 | *102.5* | 105.2 | 163.2 | 142.8 |
| Transport equipment | 19.9 | 31.3 | 39.1 | 33.3 | 34.9 | *39.4* | 46.2 | *31.9* | 40.0 | *36.2* | 38.6 | 57.0 | 30.4 |
| **PHILIPPINES** *(million US dollars)*[g] | | | | | | | | | | | | | |
| Food | 8.46 | 7.29 | 8.72 | 10.22 | 12.94 | 10.23 | 14.16 | 10.36 | 7.74 | 9.50 | ... | ... | ... |
| Cereals and cereal preparations | 4.06 | 2.34 | 4.91 | 5.53 | 7.90 | 4.40 | 7.47 | 4.39 | 1.85 | 8.75 | ... | ... | ... |
| Mineral fuels, lubricants and related materials | 4.10 | 4.98 | 5.15 | 6.41 | 6.39 | 7.01 | 7.31 | 7.61 | 7.49 | 7.34 | ... | ... | ... |
| Chemicals | 5.14 | 5.10 | 4.57 | 5.87 | 6.09 | 6.51 | 6.39 | 7.56 | 7.32 | 8.94 | ... | ... | ... |
| Textiles | 1.94 | 2.21 | 1.74 | 1.58 | 1.40 | 2.55 | 2.33 | 3.77 | 2.04 | 2.84 | ... | ... | ... |
| Machinery | 12.14 | 10.57 | 11.86 | 15.18 | 15.73 | 15.61 | 16.03 | 16.69 | 20.24 | 23.21 | ... | ... | ... |
| Transport equipment | 4.88 | 5.24 | 5.56 | 7.66 | 7.25 | 9.16 | 9.11 | 9.62 | 9.94 | 12.18 | ... | ... | ... |
| Other manufactured goods | 10.56 | 9.33 | 9.66 | 13.18 | 12.89 | 14.14 | 14.66 | 14.97 | 16.82 | 17.45 | ... | ... | ... |
| **SINGAPORE** *(million Singapore dollars)* | | | | | | | | | | | | | |
| Food | 60.5 | 60.4 | 70.8 | 58.8 | 61.9 | 64.2 | 68.5 | 60.1 | 63.4 | 79.0 | ... | ... | ... |
| Cereals and cereal preparations | 15.8 | 19.0 | 21.8 | 14.1 | 15.0 | 15.9 | 18.1 | 13.6 | 17.6 | ... | ... | ... | ... |
| Crude materials, inedible, except fuels | 95.3 | 91.6 | 80.6 | 52.7 | 58.6 | 62.8 | 65.0 | 61.2 | 58.0 | 54.7 | ... | ... | ... |
| Crude rubber | 82.0 | 80.8 | 68.4 | 41.8 | 46.3 | 48.8 | 51.1 | 47.0 | 45.8 | ... | ... | ... | ... |
| Mineral fuels, lubricants and related materials | 47.8 | 50.1 | 48.7 | 39.1 | 42.4 | 51.7 | 52.7 | 53.7 | 60.6 | 64.3 | ... | ... | ... |
| Textiles | 22.4 | 21.1 | 24.5 | 20.9 | 22.4 | 24.9 | 24.4 | 31.1 | 29.7 | ... | ... | ... | ... |
| Machinery | 19.7 | 21.2 | 25.6 | 26.4 | 28.8 | 32.4 | 30.5 | 35.4 | 32.6 | ... | ... | ... | ... |
| Transport equipment | 11.6 | 16.1 | 18.1 | 14.8 | 17.0 | 13.8 | 13.2 | 13.5 | 11.3 | ... | ... | ... | ... |
| Other manufactured goods | 43.9 | 47.8 | 56.5 | 49.0 | 53.3 | 54.5 | 55.0 | 59.7 | 60.4 | ... | ... | ... | ... |
| **THAILAND** *(million baht)* | | | | | | | | | | | | | |
| Food | 63.7 | 62.9 | 67.6 | 73.0 | 74.2 | 174.8 | 151.1 | 124.2 | 169.0 | 171.3 | ... | ... | ... |
| Mineral fuels, lubricants and related materials | 84.3 | 102.0 | 101.7 | 121.5 | 113.7 | 210.7 | 198.7 | 264.6 | 165.6 | 220.4 | ... | ... | ... |
| Chemicals | 87.1 | 99.2 | 103.5 | 123.8 | 139.5 | 283.6 | 308.6 | 402.7 | 452.8 | 445.8 | ... | ... | ... |
| Textiles | 140.0 | 135.7 | 126.8 | 143.1 | 136.2 | 134.3 | 132.1 | 146.8 | 175.2 | 137.9 | ... | ... | ... |
| Machinery | 131.4 | 171.5 | 213.0 | 217.0 | 255.9 | 294.4 | 308.3 | 337.8 | 399.2 | 378.4 | ... | ... | ... |
| Transport equipment | 73.2 | 91.5 | 112.3 | 159.7 | 154.4 | 246.4 | 264.5 | 298.3 | 286.0 | 275.4 | ... | ... | ... |
| Other manufactured goods | 214.7 | 234.1 | 279.5 | 276.2 | 358.7 | 536.1 | 522.7 | 668.1 | 724.6 | 666.5 | ... | ... | ... |
| **VIET-NAM, Republic of** *(million piastres)* | | | | | | | | | | | | | |
| Food | 76.8 | 81.2 | 89.3 | 105.8 | 97.6 | 251.6 | 310.5 | 425.3 | 333.1 | 305.4 | ... | ... | ... |
| Petroleum and products | 51.1 | 51.6 | 56.7 | 53.7 | 65.0 | 112.6 | 166.7 | 104.3 | 119.3 | 209.2 | ... | ... | ... |
| Textile fabrics | 66.7 | 37.2 | 18.0 | 19.3 | 8.5 | 76.8 | 9.1 | 212.9 | 291.6 | 498.3 | ... | ... | ... |
| Machinery | 94.9 | 133.9 | 100.4 | 117.9 | 140.0 | 389.6 | 485.4 | 687.4 | 834.4 | 794.4 | ... | ... | ... |
| Transport equipment | 40.4 | 46.1 | 39.4 | 38.8 | 46.8 | 259.5 | 337.1 | 531.0 | 531.7 | 719.7 | ... | ... | ... |
| **WESTERN SAMOA** *(thousand W.S. pounds)*[h] | | | | | | | | | | | | | |
| Food | 68 | 78 | 81 | 85 | 84 | ... | ... | ... | ... | ... | ... | ... | ... |
| Beverages and tobacco | 13 | 11 | 16 | 14 | 15 | ... | ... | ... | ... | ... | ... | ... | ... |
| Crude materials, inedible, except fuels | 6 | 8 | 8 | 28 | 24 | ... | ... | ... | ... | ... | ... | ... | ... |
| Mineral fuels, lubricants and related materials | 9 | 9 | 9 | 9 | 10 | ... | ... | ... | ... | ... | ... | ... | ... |
| Chemicals | 12 | 14 | 17 | 15 | 15 | ... | ... | ... | ... | ... | ... | ... | ... |
| Textiles | 13 | 19 | 17 | 18 | 17 | ... | ... | ... | ... | ... | ... | ... | ... |
| Machinery | 14 | 14 | 15 | 28 | 26 | ... | ... | ... | ... | ... | ... | ... | ... |
| Transport equipment | 11 | 10 | 16 | 24 | 12 | ... | ... | ... | ... | ... | ... | ... | ... |
| Other manufactured goods | 65 | 75 | 71 | 68 | 64 | ... | ... | ... | ... | ... | ... | ... | ... |
| **AUSTRALIA** *(million Australian dollars)*[g] | | | | | | | | | | | | | |
| Food | 7.58 | 6.31 | 7.17 | 8.20 | 8.85 | 8.98 | 8.94 | 9.04 | 12.14 | 9.26 | 9.19 | 9.90 | 11.18 |
| Beverages and tobacco | 2.69 | 2.77 | 2.74 | 2.92 | 3.28 | 2.66 | 2.16 | 3.42 | 3.67 | 3.36 | 2.51 | 3.38 | 2.21 |
| Crude materials, inedible, except fuels | 11.33 | 13.42 | 14.72 | 17.84 | 17.57 | 16.37 | 18.08 | 16.41 | 16.46 | 18.13 | 17.84 | 19.17 | 18.88 |
| Mineral fuels, lubricants and related materials | 17.44 | 18.08 | 19.67 | 20.36 | 21.10 | 20.29 | 20.63 | 20.35 | 19.73 | 21.51 | 18.77 | 22.32 | 22.25 |
| Petroleum, crude and partly refined | 13.05 | 12.87 | 14.66 | 14.83 | 16.32 | 16.85 | 17.42 | 17.12 | 17.28 | 18.92 | 15.99 | 19.44 | 20.85 |
| Chemicals | 11.77 | 15.36 | 17.09 | 20.58 | 21.99 | 22.45 | 24.89 | 23.13 | 26.01 | 25.06 | 26.35 | 27.03 | 19.54 |
| Textiles | 16.93 | 18.29 | 17.57 | 19.47 | 20.77 | 18.68 | 19.85 | 18.17 | 21.27 | 20.87 | 22.54 | 22.84 | 17.57 |
| Base metals and manufactures | 10.78 | 10.77 | 10.69 | 13.91 | 20.08 | 12.21 | 11.81 | 11.54 | 15.86 | 13.12 | 15.07 | 14.56 | 14.33 |
| Machinery | 32.39 | 35.36 | 38.51 | 49.35 | 59.86 | 60.99 | 63.01 | 58.84 | 61.05 | 66.46 | 69.12 | 64.65 | 56.69 |
| Transport equipment | 13.45 | 16.73 | 21.89 | 29.28 | 31.53 | 32.76 | 42.79 | 23.87 | 29.60 | 36.44 | 40.04 | 24.74 | 49.07 |
| Other manufactured goods | 23.72 | 24.33 | 25.92 | 29.36 | 33.40 | 33.26 | 35.99 | 35.40 | 35.42 | 37.29 | 40.97 | 42.92 | 38.28 |

## 23. VALUE OF IMPORTS BY PRINCIPAL COMMODITY GROUPS *(Cont'd)*

*Monthly averages or calendar months*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| JAPAN *(billion yen)* | | | | | | | | | | | | | |
| Food | 19.19 | 21.05 | 31.43 | 39.81 | 42.48 | 48.05 | 47.71 | 50.17 | 49.65 | 55.73 | 48.82 | 52.12 | 52.50 |
| Cereals and cereal preparations | 9.88 | 11.20 | 14.16 | 19.08 | 23.82 | 25.01 | 27.09 | 23.78 | 25.58 | 30.57 | 24.96 | 26.83 | 23.05 |
| Sugar and sugar preparations | 4.06 | 4.06 | 7.84 | 8.26 | 5.57 | 4.89 | 3.76 | 4.21 | 5.87 | 5.57 | 4.77 | 4.97 | 5.21 |
| Crude materials, inedible, except fuels | 82.46 | 70.86 | 82.44 | 91.51 | 95.02 | 114.40 | 114.55 | 121.38 | 126.87 | 138.82 | 132.71 | 134.77 | 130.40 |
| Oil-seeds, oil nuts & oil kernels | 5.92 | 6.17 | 8.14 | 8.51 | 9.99 | 12.34 | 12.34 | 12.83 | 13.26 | 11.59 | 11.71 | 13.39 | 11.39 |
| Crude rubber | 4.30 | 4.23 | 4.02 | 4.23 | 3.84 | 4.12 | 4.45 | 4.63 | 3.97 | 4.30 | 3.80 | 4.13 | 3.65 |
| Textile fibres, raw | 28.54 | 22.24 | 26.51 | 26.21 | 25.42 | 27.70 | 24.16 | 26.86 | 29.95 | 31.57 | 24.05 | 20.60 | 22.17 |
| Metal ores and scrap | 28.68 | 21.38 | 23.01 | 29.15 | 30.58 | 36.23 | 37.20 | 40.94 | 42.62 | 49.02 | 49.68 | 51.85 | 50.69 |
| Mineral fuels, lubricants and related materials | 27.96 | 31.24 | 36.32 | 42.22 | 48.78 | 54.11 | 50.96 | 59.33 | 61.44 | 64.20 | 63.14 | 75.39 | 83.19 |
| Chemicals | 10.08 | 9.01 | 11.07 | 13.74 | 12.24 | 14.91 | 14.56 | 16.27 | 16.88 | 18.13 | 18.38 | 19.84 | 19.30 |
| Machinery | 14.93 | 19.51 | 20.34 | 19.87 | 16.73 | 17.46 | 17.04 | 21.98 | 21.51 | 24.21 | 23.77 | 23.43 | 25.40 |
| Transport equipment | 3.04 | 3.51 | 3.65 | 4.86 | 4.61 | 5.43 | 4.01 | 5.55 | 4.83 | 6.75 | 3.28 | 3.02 | 5.70 |
| Other manufactured goods | 14.21 | 11.53 | 13.97 | 22.56 | 21.46 | 26.50 | 28.19 | 32.08 | 37.32 | 45.37 | 46.33 | 56.37 | 51.03 |
| NEW ZEALAND *(million New Zealand dollars)*ⁱ | | | | | | | | | | | | | |
| Food | 2.91 | 2.75 | 3.56 | 3.58 | 3.06 | 2.74 | 2.73 | 2.71 | — 2.51 — | | 2.66 | 3.05 | 1.65 |
| Wheat | 0.56 | 0.67 | 0.62 | 0.67 | 0.56 | 0.41 | 0.42 | 0.45 | 0.30 | | 0.18 | 0.22 | 0.21 |
| Sugar and sugar preparations | 0.56 | 0.56 | 1.23 | 1.15 | 0.57 | 0.48 | 0.49 | 0.36 | 0.40 | | 0.54 | 1.08 | 0.27 |
| Tea | 0.45 | 0.43 | 0.45 | 0.38 | 0.46 | 0.39 | 0.48 | 0.28 | 0.42 | | 0.35 | 0.54 | 0.06 |
| Beverages and tobacco | 0.71 | 0.57 | 0.59 | 0.61 | 0.69 | 0.67 | 0.92 | 0.76 | 0.56 | | 0.70 | 0.50 | 0.65 |
| Crude materials, inedible, except fuels | 2.03 | 1.77 | 2.16 | 2.51 | 2.61 | 3.13 | 3.57 | 3.10 | 2.87 | | 2.51 | 2.71 | 2.21 |
| Mineral fuels, lubricants and related materials | 3.58 | 3.68 | 3.86 | 3.98 | 3.37 | 3.70 | 3.39 | 3.95 | 3.79 | | 2.76 | 2.70 | 5.51 |
| Chemicals | 3.73 | 3.70 | 4.43 | 5.06 | 6.22 | 6.50 | 7.12 | 6.61 | 6.01 | | 6.45 | 4.85 | 4.89 |
| Textiles | 5.89 | 4.56 | 5.70 | 5.75 | 6.10 | 5.81 | 6.12 | 5.62 | 6.13 | | 5.40 | 4.68 | 3.96 |
| Base metals and manufactures | 7.69 | 6.60 | 7.09 | 7.83 | 9.18 | 9.08 | 9.48 | 9.93 | 8.96 | | 8.08 | 7.17 | 6.64 |
| Machinery | 10.28 | 8.01 | 9.87 | 10.94 | 12.94 | 13.41 | 12.69 | 14.28 | 14.52 | | 11.97 | 7.06 | 7.27 |
| Transport equipment | 4.61 | 4.12 | 5.87 | 6.51 | 7.42 | 8.46 | 10.04 | 5.96 | 7.37 | | 6.73 | 4.42 | 5.40 |
| Other manufactured goods | 6.12 | 4.45 | 5.82 | 5.75 | 6.16 | 6.09 | 6.60 | 6.20 | 5.80 | | 6.14 | 5.14 | 4.58 |

*GENERAL NOTE:* See table 19.

a. Excluding loan and grant imports.

b. The sharp fall in 1965 should be interpreted with due reservation. For details see page 134, Central Bank of Ceylon *Annual Report*, 1965.

c. Net imports (Imports less re-exports).

d. The trade for the period January-May 1966 has been revalued at the new rate of 7.50 rupees per U.S.$ introduced in June 1966 (prior to 1966: the trade is valued at the rate of 4.76 rupees per U.S.$).

e. Data for 1961-1965 are converted from old rupiah into U.S.$ at the rate of 45.0 rupiah per U.S.$, and are again converted into new rupiah at the rate of 10 new rupiah per U.S.$.

f. Including the value of exchange certificates.

g. Imports valued f.o.b.

h. Imports valued f.o.b. in the country of export plus 10%.

i. Current domestic value in the exporting country.

## 24. VALUE OF EXPORTS BY PRINCIPAL COMMODITIES AND/OR COMMODITY GROUPS.

*Monthly averages or calendar months*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| AFGHANISTAN* *(million Afghanis)* | | | | | | | | | | | | | |
| Fruits and nuts, fresh and dried | 37.9 | 69.1 | 60.2 | 92.3 | 141.8 | 140.2 | 113.2 | 203.3 | 153.1 | . . . | . . . | . . . | . . . |
| Hides, skins and fur skins, undressed | 57.7 | 57.3 | 81.4 | 72.1 | 105.1 | 88.1 | 120.9 | 199.8 | 16.1 | . . . | . . . | . . . | . . . |
| Wool | 21.2 | 32.0 | 31.0 | 30.1 | 11.9 | 40.7 | 42.8 | 36.1 | 32.4 | . . . | . . . | . . . | . . . |
| Raw cotton | 28.8 | 35.4 | 52.8 | 73.1 | 66.6 | 89.0 | 206.2 | 51.4 | 87.8 | . . . | . . . | . . . | . . . |
| Carpets and rugs | 29.8 | 31.9 | 26.8 | 42.7 | 53.5 | 50.8 | 52.4 | 41.3 | 37.4 | . . . | . . . | . . . | . . . |
| BRUNEI *(million Malaysian dollars)* | | | | | | | | | | | | | |
| Crude petroleum | 18.68 | 15.84 | 14.65 | 14.65 | 15.88 | 17.72 | 18.03 | 18.65 | 18.86 | . . . | . . . | . . . | . . . |
| Natural rubber | 0.26 | 0.20 | 0.15 | 0.14 | 0.10 | 0.07 | 0.07 | 0.06 | 0.06 | . . . | . . . | . . . | . . . |
| BURMA *(million kyats)* | | | | | | | | | | | | | |
| Rice and products | 59.3 | 66.9 | 68.0 | 60.4 | 55.4 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| Natural rubber | 2.3 | 2.4 | 2.3 | 1.2 | 1.6 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| Teak | 7.4 | 11.8 | 12.9 | 12.1 | 11.8 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| Raw cotton | 2.4 | 3.6 | 2.2 | 2.3 | 3.4 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| Base metals and ores | 3.0 | 3.0 | 3.1 | 3.8 | 4.2 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| CAMBODIA *(million riels)* | | | | | | | | | | | | | |
| Rice | 70.9 | 42.9 | 136.7 | 177.3 | 161.2 | 70.6 | 82.6 | 51.5 | 62.6 | 169.4 | . . . | . . . | . . . |
| Maize | 16.0 | 23.0 | 20.1 | 23.7 | 14.8 | 23.8 | 15.5 | 55.6 | 3.6 | 1.6 | . . . | . . . | . . . |
| Natural rubber | 59.5 | 59.5 | 67.0 | 37.6 | 102.4 | 72.8 | 77.1 | 94.1 | 63.7 | 39.8 | . . . | . . . | . . . |
| CEYLON *(million rupees)* | | | | | | | | | | | | | |
| Tea | 92.8 | 95.7 | 95.0 | 95.1 | 100.8 | 85.5 | 89.3 | 55.9 | 93.3 | 84.8 | 95.7 | 71.3 | 74.4 |
| Coconut and products | 17.0 | 19.1 | 16.8 | 23.0 | 23.0 | 16.4 | 18.4 | 18.8 | 9.9 | 11.5 | 17.5 | 17.4 | 18.7 |
| Natural rubber | 21.7 | 24.2 | 21.4 | 24.2 | 25.3 | 28.1 | 23.4 | 29.7 | 29.6 | 26.5 | 20.9 | 12.0 | 16.0 |
| CHINA (Taiwan) *(million new Taiwan dollars)* | | | | | | | | | | | | | |
| Rice | 31.2 | 20.2 | 59.6 | 66.7 | 137.0 | 99.1 | 214.7 | 29.2 | 34.0 | 84.5 | 140.1 | . . . | . . . |
| Fruits, fresh, dried and preserved | 77.7 | 68.9 | 75.7 | 175.1 | 252.9 | 254.6 | 235.4 | 255.7 | 183.1 | 498.6 | 213.9 | . . . | . . . |
| Sugar | 191.5 | 152.1 | 341.4 | 427.8 | 196.2 | 175.7 | 155.4 | 174.6 | 222.5 | 132.8 | 104.3 | . . . | . . . |
| Tea | 29.8 | 24.6 | 25.5 | 26.6 | 29.4 | 33.1 | 42.2 | 30.5 | 35.9 | 25.1 | 35.4 | . . . | . . . |
| Plywood | 23.8 | 35.1 | 56.2 | 86.9 | 88.0 | 111.0 | 116.1 | 124.7 | 89.1 | 119.5 | 140.0 | . . . | . . . |
| Cotton yarn and fabrics | 81.2 | 67.2 | 82.3 | 84.3 | 93.6 | 102.3 | 120.5 | 108.5 | 177.9 | 153.6 | 151.1 | . . . | . . . |
| Cement | 13.3 | 23.5 | 42.0 | 42.9 | 28.9 | 57.0 | 70.4 | 64.3 | 48.9 | 66.7 | 62.5 | . . . | . . . |
| Cotton clothing and articles of personal wear | 10.3 | 29.0 | 18.5 | 22.9 | 26.7 | 31.6 | 39.6 | 26.9 | 27.9 | 39.4 | 64.5 | . . . | . . . |

## 24. VALUE OF EXPORTS BY PRINCIPAL COMMODITIES AND/OR COMMODITY GROUPS. *(Cont'd)*

*Monthly averages or calendar months*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| HONG KONG[a] *(million Hong Kong dollars)* | | | | | | | | | | | | | |
| Food | 9.5 | 10.0 | 13.0 | 13.4 | 11.3 | 12.8 | 13.5 | 14.8 | 12.7 | 11.3 | 10.8 | 12.4 | 15.0 |
| Crude materials, inedible, except fuels | 10.9 | 7.1 | 7.1 | 8.5 | 9.0 | 9.2 | 7.7 | 9.1 | 9.7 | 10.1 | 11.0 | 9.7 | 10.2 |
| Chemicals | 4.6 | 4.7 | 4.3 | 4.3 | 4.6 | 4.4 | 4.2 | 5.0 | 5.0 | 4.6 | 5.0 | 4.7 | 6.6 |
| Textiles | 55.7 | 49.2 | 54.0 | 58.9 | 69.5 | 76.8 | 77.1 | 87.8 | 76.2 | 74.6 | 72.3 | 92.1 | 86.1 |
| Base metals and manufactures | 12.9 | 13.8 | 14.7 | 15.7 | 17.3 | 19.2 | 20.0 | 21.2 | 19.5 | 21.5 | 20.3 | 24.4 | 23.7 |
| Machinery | 7.3 | 10.3 | 14.5 | 17.6 | 26.7 | 41.9 | 46.5 | 57.5 | 47.9 | 47.8 | 48.0 | 61.0 | 61.8 |
| Transport equipment | 1.1 | 2.3 | 1.9 | 1.2 | 2.0 | 2.4 | 1.4 | 2.0 | 2.1 | 6.1 | 1.0 | 5.2 | 3.4 |
| Clothing, except fur clothing | 71.8 | 95.6 | 115.2 | 135.0 | 147.7 | 169.6 | 189.3 | 184.8 | 219.6 | 121.8 | 201.3 | 211.7 | 204.4 |
| Other manufactured goods | 66.2 | 77.2 | 87.6 | 107.8 | 123.4 | 136.1 | 149.4 | 154.6 | 315.9 | 334.4 | 385.2 | 405.0 | 407.8 |
| INDIA *(million rupees)*[b] | | | | | | | | | | | | | |
| Food | 179.2 | 186.6 | 213.0 | 214.2 | 197.6 | 297.4 | 295.8 | 344.4 | 310.3 | 209.9 | 327.7 | 424.0 | 397.1 |
| Sugar | 12.2 | 13.1 | 20.2 | 18.0 | 8.5 | 17.6 | 16.1 | 9.3 | 6.7 | 28.3 | 6.7 | 10.8 | 0.3 |
| Tea | 103.7 | 103.0 | 110.3 | 104.1 | 93.9 | 129.7 | 127.0 | 201.4 | 139.5 | 49.7 | 191.7 | 273.9 | 277.7 |
| Spices | 13.5 | 13.8 | 12.2 | 13.4 | 16.9 | 27.8 | 22.9 | 24.5 | 32.4 | 16.4 | 19.2 | 19.3 | 22.8 |
| Oilseed cake and meal | 13.4 | 22.6 | 28.5 | 31.4 | 31.6 | 44.1 | 40.0 | 35.8 | 48.8 | 39.6 | 27.1 | 34.7 | 21.6 |
| Crude materials, inedible, except fuels | 98.5 | 91.7 | 105.8 | 115.7 | 108.4 | 174.3 | 159.3 | 159.7 | 207.5 | 163.9 | 138.0 | 163.2 | 166.7 |
| Hides and skins, undressed | 6.8 | 8.4 | 9.1 | 7.2 | 7.8 | 12.6 | 13.7 | 8.7 | 18.4 | 10.9 | 6.8 | 1.7 | 2.8 |
| Cotton raw and waste | 15.6 | 14.2 | 14.6 | 12.5 | 12.0 | 13.2 | 17.2 | 7.2 | 19.6 | 19.7 | 15.4 | 10.2 | 8.1 |
| Iron ore and concentrates | 14.8 | 14.8 | 23.6 | 30.4 | 31.6 | 59.9 | 42.1 | 63.4 | 73.1 | 52.6 | 42.4 | 63.2 | 80.6 |
| Vegetable oils | 4.1 | 7.9 | 14.6 | 11.6 | 3.6 | 2.6 | 2.0 | 2.2 | 1.8 | 1.4 | 1.6 | 4.0 | 2.9 |
| Chemicals | 6.6 | 6.2 | 5.9 | 7.4 | 9.0 | 13.5 | 11.1 | 12.9 | 12.6 | 9.4 | 13.2 | 22.6 | 18.7 |
| Leather and manufactures | 21.8 | 19.0 | 21.1 | 22.9 | 22.7 | 50.9 | 57.8 | 54.3 | 45.2 | 40.6 | 51.7 | 41.3 | 46.1 |
| Cotton yarn and fabrics | 44.6 | 44.3 | 46.2 | 52.7 | 52.4 | 66.8 | 53.9 | 60.5 | 68.0 | 50.5 | 66.5 | 76.9 | 46.2 |
| Jute yarn and fabrics | 62.0 | 81.4 | 90.4 | 92.5 | 84.0 | 141.9 | 141.8 | 149.0 | 148.9 | 121.8 | 143.4 | 160.5 | 125.4 |
| Other manufactured goods | 108.4 | 86.2 | 101.2 | 123.6 | 129.5 | 189.7 | 176.5 | 190.1 | 173.8 | 218.4 | 203.4 | 257.3 | 193.4 |
| INDONESIA *(million new rupiah)*[c] | | | | | | | | | | | | | |
| Tea | 21.4 | 17.2 | 14.8 | 14.2 | 14.1 | 14.3 | 15.1 | 7.4 | 7.9 | 8.5 | ... | ... | ... |
| Copra and copra cake | 31.9 | 15.1 | 14.7 | 23.3 | 18.3 | 21.7 | 15.1 | 42.9 | 10.5 | 7.3 | ... | ... | ... |
| Natural rubber | 954.2 | 248.7 | 204.1 | 196.5 | 185.0 | 186.1 | 158.0 | 204.2 | 131.3 | 151.9 | ... | ... | ... |
| Tin ore | 31.2 | 29.1 | 15.8 | 26.2 | 31.6 | 25.5 | 24.1 | 25.4 | 23.7 | 31.0 | ... | ... | ... |
| Petroleum and products | 216.8 | 179.8 | 224.0 | 222.8 | 226.6 | 169.5 | 177.2 | 177.6 | 189.1 | 192.8 | ... | ... | ... |
| IRAN* *(million rials)* | | | | | | | | | | | | | |
| Fruits, fresh, dried and preserved | 139.4 | 148.1 | 118.7 | 118.9 | 139.1 | ... | ... | ... | ... | ... | ... | ... | ... |
| Raw cotton | 293.0 | 167.9 | 237.4 | 218.3 | 313.2 | ... | ... | ... | ... | ... | ... | ... | ... |
| Petroleum and products | 4,693.8 | 5,070.4 | 5,573.8 | 6,191.4 | 7,399.2 | ... | ... | ... | ... | ... | ... | ... | ... |
| Carpets, hand made | 182.7 | 138.5 | 165.0 | 227.8 | 283.8 | ... | ... | ... | ... | ... | ... | ... | ... |
| KOREA, Republic of *(million US dollars)* | | | | | | | | | | | | | |
| Food | 0.75 | 1.82 | 1.49 | 2.20 | 2.35 | 3.37 | 3.46 | 3.82 | 3.33 | 3.15 | 2.79 | 3.74 | 2.79 |
| Crude materials, inedible except fuels | 1.75 | 1.61 | 2.20 | 2.62 | 3.09 | 3.89 | 3.57 | 4.87 | 4.09 | 4.80 | 4.76 | 5.70 | 5.06 |
| Chemicals | 0.05 | 0.08 | 0.08 | 0.05 | 0.03 | 0.06 | 0.06 | 0.08 | 0.05 | 0.06 | 0.03 | 0.92 | 0.04 |
| Manufactured goods | 0.40 | 0.68 | 2.88 | 4.63 | 8.41 | 11.95 | 12.53 | 12.84 | 11.46 | 16.27 | 16.46 | 20.61 | 18.46 |
| LAOS *(million kips)* | | | | | | | | | | | | | |
| Wood and lumber | 0.37 | 0.08 | 0.42 | 1.06 | 1.60 | ... | 1.47 | ... | ... | ... | ... | ... | ... |
| Tin ore | 1.65 | 2.93 | 3.10 | 13.81 | 12.27 | ... | 19.82 | ... | ... | ... | ... | ... | ... |
| Gums and resins | 0.31 | 0.02 | 0.13 | 0.02 | 2.26 | ... | — | ... | ... | ... | ... | ... | ... |
| Plants for use in medicine and perfumery | 0.51 | 0.24 | 0.30 | 0.32 | 0.10 | ... | 0.10 | ... | ... | ... | ... | ... | ... |
| MALAYSIA *(million Malaysian dollars)* | | | | | | | | | | | | | |
| EAST | | | | | | | | | | | | | |
| SABAH | | | | | | | | | | | | | |
| Copra | 2.26 | 1.54 | 1.47 | 1.32 | 1.13 | 0.94 | — 0.96 — | | — 0.48 — | | ... | ... | ... |
| Rubber | 3.44 | 3.06 | 2.67 | 2.69 | 2.84 | 0.66 | 2.84 | | 2.25 | | ... | ... | ... |
| Timber | 8.57 | 10.18 | 12.55 | 12.38 | 15.45 | 21.65 | 26.68 | | 22.91 | | ... | ... | ... |
| SARAWAK | | | | | | | | | | | | | |
| Pepper | 2.39 | 1.99 | 1.87 | 1.97 | 3.48 | 2.75 | 3.92 | 2.10 | 1.33 | 4.11 | ... | ... | ... |
| Rubber | 7.00 | 6.05 | 5.80 | 5.01 | 4.95 | 3.85 | 3.72 | 3.85 | 3.20 | 3.38 | ... | ... | ... |
| Timber, sawn and logs | 3.47 | 3.40 | 4.48 | 5.18 | 6.87 | 9.07 | 9.90 | 10.31 | 9.41 | 12.40 | ... | ... | ... |
| Mineral fuels, lubricants and related materials | 18.01 | 18.85 | 16.78 | 17.00 | 18.21 | 20.12 | 22.00 | 19.41 | 21.15 | 23.19 | ... | ... | ... |
| WEST | | | | | | | | | | | | | |
| Natural rubber | 120.2 | 114.0 | 114.5 | 108.6 | 114.0 | 116.3 | 123.2 | 114.9 | 115.6 | 95.8 | 106.4 | 91.4 | 82.4 |
| Iron ore | 13.6 | 13.8 | 14.7 | 13.5 | 13.4 | 11.4 | 17.8 | 5.7 | 2.8 | 13.5 | 13.7 | 22.3 | 4.2 |
| Vegetable oils | 7.4 | 7.3 | 7.6 | 7.7 | 10.2 | 11.5 | 10.5 | 12.5 | 9.4 | 12.3 | 10.7 | 15.0 | 6.5 |
| Tin metal | 45.8 | 51.4 | 53.2 | 60.2 | 72.1 | 65.0 | 61.4 | 62.9 | 62.3 | 62.5 | 60.3 | 64.3 | 47.9 |

## 24. VALUE OF EXPORTS BY PRINCIPAL COMMODITIES AND/OR COMMODITY GROUPS. *(Cont'd)*

*Monthly averages or calendar months*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| **PAKISTAN** *(million rupees)* | | | | | | | | | | | | | |
| Tea | 0.9 | 1.4 | — | 0.1 | 1.0 | 0.8 | 0.3 | — | — | — | — | — | — |
| Raw jute | 74.6 | 64.5 | 61.4 | 68.4 | 70.6 | 70.2 | 32.6 | 105.3 | 90.5 | 70.9 | 26.3 | 37.9 | 79.2 |
| Raw cotton | 8.6 | 15.6 | 27.3 | 24.0 | 25.7 | 16.5 | 2.9 | 14.1 | 37.2 | 42.6 | 13.2 | 10.1 | 15.1 |
| Raw wool | 5.3 | 5.7 | 4.7 | 6.5 | 5.1 | 3.2 | 2.2 | 2.1 | 2.0 | 4.2 | 2.5 | 3.9 | 3.3 |
| Hides and skins | 5.1 | 4.8 | 4.8 | 3.4 | 3.1 | 1.4 | 1.0 | 0.6 | 0.8 | 1.0 | 0.6 | 0.3 | 0.4 |
| Jute fabrics | 10.1 | 10.2 | 10.4 | 10.6 | 14.9 | 22.3 | 24.3 | 21.4 | 19.1 | 18.8 | 12.3 | 12.8 | 14.7 |
| Bags & sacks of textile materials | 18.4 | 15.6 | 14.9 | 14.0 | 19.9 | 29.7 | 29.0 | 30.2 | 28.6 | 33.9 | 13.8 | 17.1 | 10.1 |
| **PHILIPPINES** *(million US dollars)* | | | | | | | | | | | | | |
| Coconut and coconut preparations | 9.89 | 13.30 | 19.45 | 19.63 | 22.55 | 21.90 | 24.84 | 19.41 | 16.21 | 14.15 | ... | ... | ... |
| Sugar, centrifugal | 11.26 | 10.16 | 12.21 | 12.36 | 11.04 | 9.66 | 7.33 | 5.52 | 12.86 | 14.26 | ... | ... | ... |
| Fibres and manufactures | 2.68 | 2.22 | 2.81 | 2.72 | 2.17 | 1.66 | 1.78 | 1.59 | 1.81 | 1.46 | ... | ... | ... |
| Minerals and metals | 3.79 | 3.09 | 4.29 | 4.08 | 6.40 | 9.02 | 8.89 | 8.02 | ... | ... | ... | ... | ... |
| Logs, lumber and timber | 7.70 | 9.40 | 12.74 | 11.93 | 13.50 | 17.37 | 17.74 | 16.93 | 13.93 | 19.04 | ... | ... | ... |
| **SINGAPORE** *(million Singapore dollars)* | | | | | | | | | | | | | |
| Rubber | 94.5 | 91.0 | 81.0 | 53.7 | 55.7 | 63.3 | 61.9 | 67.5 | 71.5 | 58.4 | ... | ... | ... |
| Tin metal | 2.4 | 0.9 | 1.4 | 0.5 | 0.7 | 0.6 | 0.6 | 0.4 | 0.4 | 0.3 | ... | ... | ... |
| Coconut oil | 1.6 | 1.2 | 1.1 | 1.2 | 1.5 | 2.0 | 2.4 | 1.8 | 1.8 | 1.8 | ... | ... | ... |
| Timber, sawn | 1.5 | 1.8 | 2.4 | 3.4 | 4.1 | 4.3 | 5.0 | 3.8 | 3.0 | 4.2 | ... | ... | ... |
| **THAILAND** *(million baht)* | | | | | | | | | | | | | |
| Rice | 299.8 | 270.0 | 285.3 | 365.7 | 361.2 | 335.0 | 296.2 | 132.9 | 491.9 | 484.6 | 382.6 | ... | ... |
| Natural rubber | 177.5 | 175.9 | 158.6 | 171.7 | 166.6 | 155.0 | 152.9 | 147.6 | 176.6 | 116.1 | 120.2 | ... | ... |
| Maize | 49.8 | 41.9 | 69.0 | 112.1 | 80.7 | 127.5 | 61.1 | 216.9 | 157.1 | 73.7 | 52.6 | ... | ... |
| Teak | 21.0 | 14.2 | 11.4 | 14.9 | 16.7 | 20.2 | 24.7 | 19.0 | 19.5 | 18.6 | 14.3 | ... | ... |
| Tin ore and concentrates | 51.4 | 57.1 | 61.7 | 80.1 | 63.9 | 2.1 | 2.4 | 1.8 | 0.6 | — | — | ... | ... |
| Tin metal | — | — | — | — | 33.3 | 107.6 | 95.6 | 131.2 | 168.4 | 174.5 | 127.1 | ... | ... |
| **VIET-NAM, Republic of** *(million piastres)* | | | | | | | | | | | | | |
| Rice and products | 42.8 | 25.8 | 106.3 | 15.6 | — | ... | — | — | — | — | ... | ... | ... |
| Natural rubber | 127.8 | 110.6 | 97.6 | 97.1 | 74.4 | ... | 115.1 | 197.1 | 133.1 | 71.1 | ... | ... | ... |
| **WESTERN SAMOA** *(thousand W.S. pounds)* | | | | | | | | | | | | | |
| Food | 104 | 173 | 138 | 126 | 89 | ... | ... | ... | ... | ... | ... | ... | ... |
| Bananas | 54 | 76 | 69 | 66 | 51 | 7 | ... | ... | ... | ... | ... | ... | ... |
| Coco beans | 50 | 97 | 69 | 59 | 38 | 50 | ... | ... | ... | ... | ... | ... | ... |
| Crude materials, inedible, except fuels | 56 | 55 | 73 | 77 | 70 | ... | ... | ... | ... | ... | ... | ... | ... |
| Copra | 56 | 55 | 73 | 77 | 70 | 68 | 55 | 52 | ... | ... | ... | ... | ... |
| **AUSTRALIA** *(million Australian dollars)* | | | | | | | | | | | | | |
| Food | 66.12 | 66.29 | 80.72 | 87.87 | 85.29 | 81.40 | 88.32 | 74.76 | 97.97 | 109.16 | 95.55 | 106.07 | 109.54 |
| Wheat | 23.11 | 18.30 | 24.25 | 26.73 | 28.07 | 19.55 | 18.21 | 21.19 | 40.80 | 40.40 | 37.48 | 30.11 | 37.50 |
| Crude materials, inedible, except fuels | 73.10 | 73.63 | 86.51 | 92.53 | 82.48 | 86.79 | 76.51 | 99.98 | 96.60 | 90.89 | 75.30 | 81.58 | 103.91 |
| Wool | 60.73 | 61.55 | 72.11 | 74.62 | 64.84 | 66.60 | 54.51 | 75.24 | 73.99 | 65.87 | 48.45 | 58.24 | 74.60 |
| Mineral fuels, lubricants and related materials | 5.63 | 5.80 | 6.40 | 6.31 | 6.95 | 7.78 | 8.26 | 8.72 | 8.94 | 9.00 | 8.71 | 11.45 | 9.54 |
| Chemicals | 2.07 | 2.20 | 3.05 | 3.48 | 4.34 | 4.80 | 5.37 | 5.08 | 6.75 | 6.00 | 7.45 | 10.41 | 5.78 |
| Base metals and manufactures | 11.87 | 12.34 | 13.25 | 15.01 | 18.50 | 23.82 | 27.72 | 22.55 | 20.07 | 19.97 | 22.27 | 20.10 | 22.65 |
| Machinery | 2.88 | 3.15 | 4.22 | 5.20 | 5.87 | 6.36 | 6.90 | 7.14 | 6.01 | 7.41 | 7.97 | 7.39 | 6.41 |
| Transport equipment | 2.13 | 1.95 | 2.55 | 3.31 | 4.18 | 4.78 | 4.99 | 5.76 | 4.55 | 5.54 | 5.44 | 4.26 | 4.19 |
| Other manufactured goods | 4.88 | 4.36 | 4.85 | 5.82 | 6.28 | ... | 7.86 | 7.57 | 6.40 | 8.90 | 9.39 | 8.91 | 9.12 |
| **JAPAN** *(billion yen)* | | | | | | | | | | | | | |
| Food | 7.71 | 9.91 | 8.39 | 9.38 | 9.98 | 11.07 | 11.40 | 13.66 | 9.84 | 8.92 | 12.13 | 11.88 | 12.12 |
| Fish and fish preparations | 4.88 | 7.36 | 6.08 | 6.70 | 6.92 | 8.05 | 8.32 | 10.16 | 6.74 | 5.77 | 8.41 | 8.16 | 7.10 |
| Crude materials, inedible except fuels | 3.90 | 4.73 | 4.91 | 5.57 | 6.69 | 6.88 | 6.76 | 7.17 | 5.30 | 6.19 | 6.53 | 6.24 | 6.76 |
| Textile fibres, raw | 2.62 | 3.46 | 3.62 | 4.10 | 4.65 | 4.54 | 4.42 | 4.63 | 3.52 | 3.96 | 4.25 | 4.21 | 4.73 |
| Chemicals | 5.66 | 7.83 | 9.45 | 11.51 | 16.41 | 20.08 | 19.96 | 22.12 | 18.35 | 21.69 | 21.53 | 21.07 | 18.95 |
| Textiles | 26.32 | 28.11 | 27.45 | 31.14 | 34.18 | 38.12 | 39.09 | 46.05 | 32.39 | 37.57 | 35.79 | 39.02 | 36.60 |
| Base metals and manufactures | 16.81 | 10.95 | 12.37 | 36.07 | 51.53 | 53.33 | ... | 57.36 | 47.74 | 51.24 | 55.15 | 54.40 | 56.27 |
| Machinery | 19.49 | 20.84 | 25.63 | 33.56 | 44.23 | 56.05 | 58.67 | 68.38 | 53.76 | 59.64 | 69.01 | 68.14 | 62.22 |
| Transport equipment | 14.10 | 14.14 | 18.58 | 25.17 | 37.30 | 43.17 | 41.64 | 49.90 | 48.57 | 48.34 | 53.92 | 64.52 | 45.06 |
| Other manufactured goods | 30.51 | 46.61 | 54.14 | 44.60 | 51.94 | 60.63 | ... | 68.06 | 55.02 | 67.86 | 74.06 | 71.86 | 64.85 |
| **NEW ZEALAND** *(million New Zealand dollars)* | | | | | | | | | | | | | |
| Food | 24.51 | 25.44 | 27.48 | 32.86 | 33.06 | 32.90 | 29.36 | 27.92 | — 41.03 — | | 30.40 | 30.20 | 38.92 |
| Meat and meat preparations | 12.84 | 13.02 | 14.18 | 16.79 | 16.68 | 16.89 | 18.61 | 9.20 | 20.21 | | 18.16 | 12.97 | 11.42 |
| Butter | 6.57 | 7.30 | 8.22 | 9.76 | 9.47 | 8.55 | 5.53 | 10.93 | 9.99 | | 5.86 | 10.14 | 17.02 |
| Cheese and curd | 3.32 | 3.13 | 2.91 | 3.32 | 3.24 | 3.48 | 2.48 | 3.65 | 4.44 | | 2.61 | 3.45 | 3.91 |
| Crude materials, inedible, except fuels | 20.04 | 19.90 | 23.38 | 27.21 | 22.43 | 25.96 | 19.55 | 17.79 | 21.73 | | 12.25 | 7.66 | 19.97 |
| Hides and skins, undressed | 2.01 | 2.05 | 2.12 | 2.52 | 2.72 | 3.63 | 3.34 | 2.16 | 2.82 | | 2.36 | 0.80 | 3.82 |
| Wool and other animal hair | 16.70 | 16.12 | 18.91 | 22.15 | 17.09 | 19.47 | 13.27 | 13.23 | 15.77 | | 6.94 | 3.84 | 12.94 |

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*GENERAL NOTE:* See table 19.

a. Domestic exports only.

b. The trade for the period January-May 1966 has been revalued at the new rate of 7.50 rupees per U.S.$ introduced in June 1966 (prior to 1966: the trade is valued at the rate of 4.76 rupees per U.S.$).

c. Data for 1961-1965 are converted from old rupiah into U.S.$ at the rate of 45.0 rupiah per U.S.$, and are again converted into new rupiah at the rate of 10 new rupiah per U.S.$.

## 25. QUANTITY OF EXPORTS OF MAJOR COMMODITIES

*Monthly averages or calendar months* ***Thousand tons***

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| MEAT | | | | | | | | | | | | | |
| Australia[φ] | 21.1 | 27.3 | 33.3 | 35.5 | 40.0 | 35.9 | 40.9 | 30.0 | 27.0 | 30.1 | 29.6 | 38.6 | 39.3 |
| New Zealand | 39.6 | 40.3 | 41.8 | 46.2 | 41.3 | 41.8 | 41.8 | 22.5 | 52.8 | 52.3 | 45.3 | 31.1 | 31.2 |
| DAIRY PRODUCTS | | | | | | | | | | | | | |
| Australia[φ] | 10.7 | 12.2 | 14.1 | 15.4 | 16.3 | 13.1 | 14.0 | 21.8 | 21.6 | 16.6 | 12.0 | 22.1 | 22.1 |
| New Zealand | 28.5 | 29.5 | 31.6 | 35.7 | 35.1 | 36.0 | 26.8 | 43.7 | 52.1 | 41.5 | 31.5 | 38.9 | 66.2 |
| FISH | | | | | | | | | | | | | |
| Cambodia | 0.45 | 0.45 | 0.26 | 0.07 | 0.05 | 0.15 | 0.04 | 0.07 | 0.30 | 0.37 | ... | ... | ... |
| India | 1.36 | 0.79 | 1.36 | 1.61 | 1.12 | 1.40 | 1.39 | 1.61 | 1.65 | 1.45 | 1.27 | 2.01 | ... |
| Korea, Republic of | 0.95 | 1.63 | 2.04 | 3.42 | 3.04 | 4.29 | 2.93 | 7.33 | 26.10 | 4.24 | 6.14 | ... | ... |
| Malaysia: Sabah | 0.11 | 0.12 | 0.10 | 0.08 | 0.10 | 0.14 | — 0.15 — | | ... | ... | ... | ... | ... |
| Pakistan | 2.36 | 3.62 | 3.45 | *2.75* | 1.99 | 1.88 | 1.98 | 2.08 | 1.59 | 1.48 | 0.79 | 1.29 | ... |
| Thailand | 0.85 | 0.75 | 0.75 | 0.91 | 0.90 | 1.54 | 0.79 | 0.73 | 0.79 | ... | ... | ... | ... |
| Viet-Nam, Republic of | 0.05 | 0.06 | 0.08 | 0.08 | 0.08 | 0.08 | 0.03 | 0.12 | 0.03 | 0.05 | ... | ... | ... |
| Japan | 15.35 | 17.92 | 18.46 | 24.21 | 21.41 | 21.99 | ... | 22.96 | 16.26 | 14.78 | 18.81 | 20.31 | 14.52 |
| WHEAT | | | | | | | | | | | | | |
| Australia[φ] | 347 | 461 | 345 | 575 | 476 | 429 | 331 | 380 | 725 | 734 | 713 | 552 | 704 |
| RICE | | | | | | | | | | | | | |
| Burma | 137.1 | 145.3 | 142.6 | 123.3 | 113.6 | 94.0 | 133.5 | 54.1 | 88.5 | 47.8 | 44.0 | 29.5 | ... |
| Cambodia | 19.8 | 11.0 | 31.6 | 41.1 | 39.3 | 13.8 | 15.2 | 9.0 | 10.0 | 27.5 | ... | ... | ... |
| China (Taiwan) | 5.4 | 3.5 | 10.0 | 10.6 | 21.4 | 14.9 | 32.1 | 4.4 | 5.0 | 10.6 | ... | ... | ... |
| Thailand | 131.3 | 105.9 | 118.1 | 158.0 | 157.9 | 125.6 | 105.4 | 44.4 | 161.3 | ... | ... | ... | ... |
| Viet-Nam, Republic of | 12.9 | 7.0 | 26.9 | 4.1 | — | — | — | — | — | — | ... | ... | ... |
| MAIZE | | | | | | | | | | | | | |
| Burma | 2.1 | 1.9 | 1.8 | 0.6 | 1.3 | 1.1 | 1.1 | 0.5 | 1.6 | 1.6 | 0.4 | — | ... |
| Cambodia | 8.6 | 11.2 | 9.6 | 12.4 | 6.8 | 11.1 | 6.8 | 25.5 | 1.8 | 0.6 | ... | ... | ... |
| Thailand | 47.3 | 39.4 | 62.0 | 92.9 | 67.0 | 101.5 | 50.7 | 167.2 | 120.2 | ... | ... | ... | ... |
| SUGAR | | | | | | | | | | | | | |
| China (Taiwan) | 51.6 | 52.8 | 53.8 | 69.8 | 65.1 | 70.1 | 79.0 | 72.9 | 78.7 | 54.7 | ... | ... | ... |
| India | 24.9 | 28.2 | 41.7 | 21.6 | 22.7 | 37.2 | 35.0 | 19.8 | 8.8 | 28.6 | 18.3 | 10.7 | ... |
| Indonesia | — | 2.8 | 8.8 | 8.8 | 5.8 | 2.3 | — | — | — 22.4 — | | ... | ... | ... |
| Philippines | 89.3 | 80.0 | 85.5 | 91.2 | 84.8 | 71.2 | 54.0 | 38.6 | 89.9 | 99.6 | ... | ... | ... |
| TEA | | | | | | | | | | | | | |
| Ceylon | 16.1 | 17.1 | 17.2 | 17.2 | 18.7 | 16.7 | 18.0 | 11.5 | 18.3 | 17.7 | 20.7 | 14.4 | 14.3 |
| China (Taiwan) | 1.2 | 1.0 | 1.1 | 1.3 | 1.7 | 1.6 | 2.0 | 1.4 | 1.7 | 1.2 | ... | ... | ... |
| India | 17.2 | 17.7 | 18.6 | 17.5 | 16.6 | 14.9 | 14.1 | 23.9 | 17.7 | 6.2 | 20.2 | 29.0 | ... |
| Indonesia | 2.8 | 2.6 | 2.5 | 2.7 | 3.2 | 2.8 | 3.1 | 1.9 | 2.3 | 2.6 | ... | ... | ... |
| Pakistan | 0.2 | 0.3 | — | .02 | 0.2 | 0.2 | 0.04 | — | — | — | — | ... | ... |
| Viet-Nam, Republic of | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | ... | ... | ... |
| Japan | 0.7 | 0.7 | 0.3 | 0.3 | 0.4 | 0.2 | 0.2 | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 |
| SPICES | | | | | | | | | | | | | |
| Cambodia | 0.10 | 0.07 | 0.07 | 0.07 | 0.15 | 0.12 | 0.23 | 0.02 | 0.16 | 0.21 | ... | ... | ... |
| Ceylon | 0.28 | 0.27 | 0.28 | 0.32 | 0.31 | 0.28 | 0.37 | 0.31 | 0.21 | 0.22 | 0.36 | ... | ... |
| India | 4.73 | 4.99 | 4.36 | 4.54 | 4.73 | 4.64 | 4.44 | 3.58 | 5.16 | 3.47 | 4.21 | 3.60 | ... |
| Indonesia | 3.00 | 2.68 | 3.55 | 3.11 | 1.99 | 1.73[a] | 2.35[a] | 2.39[a] | 2.66[a] | 5.26 | ... | ... | ... |
| Malaysia: Sarawak | 0.93 | 0.98 | 0.97 | 1.03 | 1.45 | 1.11 | 1.59 | 0.91 | 0.63 | 2.19 | 2.35 | ... | ... |
| Thailand | 0.49 | 0.67 | 0.39 | 0.37 | 0.18 | 0.11 | 0.01[b] | 0.04[b] | ... | ... | ... | ... | ... |
| HIDES & SKINS | | | | | | | | | | | | | |
| Cambodia | 0.08 | 0.22 | 0.08 | 0.05 | 0.05 | 0.06 | 0.02 | 0.08 | 0.04 | 0.11 | ... | ... | ... |
| India | 0.95 | 1.18 | 1.12 | 0.94 | 0.98 | 0.82 | 0.87 | 0.59 | 1.45 | 1.10 | 0.69 | 0.16 | ... |
| Pakistan | 0.95 | 1.06 | 0.83 | *0.44* | 0.39 | 0.19 | 0.14 | 0.11 | 0.07 | 0.09 | 0.06 | 0.01 | ... |
| Thailand | 0.71 | 0.60 | 0.51 | 0.61 | 0.61 | 0.75 | 0.61 | 0.69 | 0.50 | ... | ... | ... | ... |
| NATURAL RUBBER[c] | | | | | | | | | | | | | |
| Brunei | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.04 | 0.04 | 0.03 | 0.04 | ... |
| Burma | 0.8 | 0.9 | 0.9 | 0.5 | 0.7 | 0.5 | 0.4 | 0.1 | 0.5 | 0.5 | — | ... | ... |
| Cambodia | 3.3 | 3.1 | 3.3 | 3.5 | 3.8 | 4.2 | 4.6 | 5.8 | 4.0 | 2.6 | 4.7 | ... | ... |
| Ceylon | 7.5 | 8.5 | 7.9 | 9.6 | 10.3 | 10.4 | 10.0 | 11.9 | 13.1 | 11.1 | 9.4 | 11.6 | 12.5 |
| Indonesia | 56.4 | 55.0 | 46.7 | 52.3 | 57.9 | 56.7 | 46.0 | 65.4 | 44.7 | 58.3 | ... | ... | ... |
| Malaysia | | | | | | | | | | | | | |
| East: | | | | | | | | | | | | | |
| Sabah | 2.0 | 1.9 | 1.8 | 1.9 | 2.0 | 2.0 | 2.2 | 2.3 | 2.0 | 1.9 | 2.1 | 1.7 | 1.8 |
| Sarawak | 4.0 | 3.7 | 3.8 | 3.6 | 3.4 | 3.0 | 2.8 | 3.0 | 2.7 | 2.9 | 2.5 | 1.8 | ... |
| West[d] | 63.1 | 61.1 | 71.1 | 76.8 | 77.8 | 85.3 | 88.8 | 93.3 | 102.0 | 87.6 | 107.6 | 104.8 | 101.3 |
| Thailand | 15.4 | 16.2 | 15.6 | 18.0 | 17.6 | 16.8 | 16.9 | 17.1 | 21.4 | 14.9 | ... | ... | ... |
| Viet-Nam, Republic of | 6.9 | 5.8 | 5.9 | 5.7 | 5.2 | 3.6 | 3.0 | 6.2 | 4.0 | 2.4 | 2.7 | 4.3 | 2.6 |
| WOOD & LUMBER | | | | | | | | | | | | | |
| Burma (teak and hard woods) | 8.3 | 13.5 | 13.4 | 13.1 | 11.3 | 11.6 | 11.3 | 8.2 | 8.4 | 7.8 | 10.1 | 5.3 | ... |
| Indonesia | 7.4 | 8.5 | 7.3 | 5.8 | 11.1 | *16.6* | 15.9 | *28.4* | — 27.0 — | | ... | ... | ... |
| Malaysia: | | | | | | | | | | | | | |
| East: | | | | | | | | | | | | | |
| Sabah | 109.7 | 118.1 | 141.8 | 159.3 | 180.0 | 228.9 | — 276.8 — | | ... | ... | ... | ... | ... |
| Sarawak | 37.0 | 44.9 | 54.8 | 56.3 | 73.2 | 104.0 | 116.0 | 119.2 | 110.3 | 135.0 | 122.6 | ... | ... |
| Philippines (logs and lumber) | 229.2 | 256.3 | 333.6 | 336.2 | 425.5 | 519.3 | 532.6 | 494.2 | 400.1 | 545.0 | ... | ... | ... |
| Thailand (teak) | 3.9 | 2.4 | 2.0 | 2.5 | 2.8 | 3.0 | 3.5 | 2.6 | 2.6 | ... | ... | ... | ... |
| New Zealand (timber sawn, million sup. ft.) | 2.4 | 2.4 | 2.4 | 2.9 | 2.7 | 2.6 | 2.6 | 2.9 | 1.7 | 2.5 | 3.8 | 2.5 | 5.3 |

## 25. QUANTITY OF EXPORTS OF MAJOR COMMODITIES *(Cont'd)*

*Monthly averages or calendar months* *Thousand tons*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| **WOOL** | | | | | | | | | | | | | |
| Afghanistan* | 0.4 | 0.5 | 0.5 | 0.4 | 0.1 | 0.5 | 0.5 | 0.4 | 0.3 | ... | ... | ... | ... |
| India | 1.2 | 0.9 | 0.6 | 1.1 | 0.9 | 0.9 | 0.8 | 0.5 | 0.7 | 0.8 | 0.8 | 0.7 | ... |
| Iran* | 0.4 | 0.3 | 0.3 | 0.3 | 0.1 | ... | ... | ... | ... | ... | ... | ... | ... |
| Pakistan | 1.2 | 1.2 | 0.8 | *0.8* | 0.9 | 0.6 | 0.4 | 0.4 | 0.5 | 0.9 | 0.6 | 1.2 | ... |
| Australiaϕ | 52.3 | 55.1 | 53.5 | 57.0 | 54.9 | 58.5 | 46.5 | 64.7 | 65.0 | 62.2 | 48.4 | 59.7 | 36.7 |
| New Zealand | 21.0 | 20.6 | 21.3 | 20.9 | 20.7 | 23.6 | 16.1 | 16.5 | 23.2 | 19.8 | 10.9 | 6.8 | 22.6 |
| **COTTON, RAW** | | | | | | | | | | | | | |
| Afghanistan* | 1.0 | 0.9 | 1.4 | 1.7 | 1.3 | 1.7 | 3.8 | 1.1 | 1.6 | ... | ... | ... | ... |
| Burma | 1.0 | 1.7 | 1.0 | 0.9 | 1.3 | *0.4* | 0.6 | 0.7 | 0.3 | 0.7 | 0.1 | 0.1 | ... |
| India | 4.5 | 4.2 | 5.5 | 4.2 | 3.4 | 2.2 | 2.8 | 1.0 | 4.7 | 4.6 | 3.5 | 1.9 | ... |
| Iran* | 5.1 | 4.4 | 6.1 | 5.7 | 8.8 | ... | ... | ... | ... | ... | ... | ... | ... |
| Pakistan | 3.2 | 6.4 | 11.8 | 5.7 | 10.3 | 7.4 | 1.3 | 6.3 | 16.7 | 20.4 | 6.0 | 4.8 | ... |
| **JUTE** | | | | | | | | | | | | | |
| Pakistan (raw) | 50.3 | 61.8 | 61.5 | *62.9* | 58.7 | 56.2 | 23.3 | 70.8 | 52.2 | 59.5 | 22.8 | 34.4 | ... |
| India (bag and cloth) | 66.7 | 94.6 | 75.9 | 86.6 | 65.0 | 59.6 | 59.6 | 62.1 | 58.3 | 62.8 | 64.6 | 63.7 | ... |
| **HEMP, RAW** | | | | | | | | | | | | | |
| India | 1.0 | 1.0 | 1.3 | 1.2 | 0.7 | 0.4 | 0.5 | 0.5 | 1.2 | 0.5 | 0.2 | 0.3 | ... |
| Malaysia: Sabah | 0.3 | 0.3 | 0.3 | 0.3 | 0.2 | 0.3 | — 0.3 — | | ... | ... | ... | ... | ... |
| Philippines | 7.0 | 7.7 | 9.4 | 8.7 | 7.4 | 6.6 | 6.8 | 6.7 | 7.5 | 6.0 | ... | ... | ... |
| **IRON ORE** | | | | | | | | | | | | | |
| Hong Kong | 10.8 | 9.7 | 10.1 | 11.0 | 12.1 | 11.7 | 7.0 | 13.8 | 14.2 | 14.5 | 9.7 | 22.6 | ... |
| India | 288.9 | 286.1 | 683.4 | 861.2 | 938.7 | 1,130.8 | 777.1 | 1,201.3 | 1,464.3 | 1,031.3 | 721.1 | 1,125.2 | ... |
| Korea, Republic of | 37.0 | 30.3 | 46.6 | 40.6 | 59.1 | 53.4 | 48.8 | 62.9 | 43.7 | 69.8 | 51.6 | 68.0 | ... |
| Malaysia: West | 544.9 | 545.4 | 557.3 | 534.9 | 561.7 | 481.0 | 754.7 | 241.2 | 122.3 | 599.5 | 605.7 | 955.1 | ... |
| Philippines | 80.0 | 84.1 | 111.1 | 112.1 | 69.8 | 54.1 | 53.4 | 30.9 | ... | ... | ... | ... | ... |
| **TIN CONCENTRATES** | | | | | | | | | | | | | |
| Burma | *0.12* | *0.12* | *0.12* | *0.06* | *0.03* | *0.01* | *0.01* | — | *0.02* | — | — | ... | ... |
| Indonesia | 1.42 | 1.42 | 1.09 | 1.00 | 0.98 | 0.62 | 0.60 | 0.62 | 0.61 | 0.81 | ... | ... | ... |
| Laos | 0.05 | 0.04 | 0.03 | 0.04 | 0.03 | 0.04 | 0.02 | 0.05 | 0.04 | 0.04 | — | — | ... |
| Thailand | 1.11 | 1.21 | 1.31 | 1.33 | 0.91 | 0.04 | 0.05 | 0.04 | 0.04 | ... | ... | ... | ... |
| **COAL** | | | | | | | | | | | | | |
| China (Taiwan) | 20.1 | 10.7 | 7.6 | 8.0 | 0.2 | — | — | — | — | — | ... | ... | ... |
| India | 78.5 | 88.0 | 72.5 | 103.7 | 77.0 | 29.6 | 29.0 | 32.1 | 25.3 | 26.2 | 5.5 | 16.5 | ... |
| Korea, Republic of (anthracite) | 20.1 | 25.1 | 21.9 | 21.0 | 17.1 | 13.5 | 17.1 | 4.6 | 7.0 | 11.1 | 19.6 | 14.0 | ... |
| **MANGANESE ORE & CONCENTRATES** | | | | | | | | | | | | | |
| India | 84.4 | 64.8 | 77.0 | 131.3 | 95.6 | 112.3 | 94.6 | 69.4 | 105.9 | 90.5 | 69.8 | 95.6 | ... |
| **PETROLEUM & PRODUCTS** | | | | | | | | | | | | | |
| Brunei (crude oil) | 371 | 318 | 290 | 293 | 328 | 385 | 394 | 397 | 408 | ... | ... | ... | ... |
| Indonesia | 1,288 | 987 | 1,268 | 1,463 | 1,460 | 1,202 | 1,447 | 950 | 1,526 | 1,485 | ... | ... | ... |
| Iran* (crude oil) | 3,485 | 3,770 | 4,351 | 4,837 | 6,276 | ... | ... | ... | ... | ... | ... | ... | ... |
| Malaysia: Sarawak (petroleum products) | 155 | 173 | 158 | 148 | 164 | 181 | — 185 — | | ... | ... | ... | ... | ... |
| **COPRA[e] & COCONUT OIL** | | | | | | | | | | | | | |
| Ceylon | 10.8 | 12.6 | 9.2 | 13.1 | 9.6 | 7.3 | 8.1 | 9.2 | 5.2 | 6.0 | 8.1 | 6.6 | 7.9 |
| Indonesia (copra) | 12.7 | 5.9 | 5.8 | 9.4 | 6.6 | 6.3 | 4.6 | 10.5 | 4.6 | 3.0 | ... | ... | ... |
| Malaysia | | | | | | | | | | | | | |
| East: Sabah | 3.7 | 2.5 | 2.2 | 1.8 | 1.3 | 1.4 | — 1.5 — | | ... | ... | ... | ... | ... |
| West (coconut oil)[c] | 3.4 | 2.7 | 2.4 | 1.1 | 1.4 | 2.0 | 2.4 | 1.2 | 1.4 | 2.3 | 3.1 | 3.4 | ... |
| Philippines | 39.7 | 53.9 | 71.4 | 67.7 | 66.8 | 80.3 | 94.8 | 74.3 | 61.2 | 52.4 | ... | ... | ... |
| Singapore (coconut oil) | 1.2 | 0.7 | 0.5 | 0.6 | 0.6 | 1.3 | 1.6 | 1.5 | 1.6 | 0.7 | ... | ... | ... |
| **PALM OIL** | | | | | | | | | | | | | |
| Malaysia: West[c] | 7.4 | 8.5 | 9.6 | 10.4 | 11.8 | 15.1 | 13.8 | 17.9 | 12.8 | 17.1 | 13.5 | 20.5 | ... |
| Indonesia | 9.9 | 8.4 | 9.1 | 11.1 | 12.4 | 14.8 | 16.6 | 19.8 | 10.7 | 7.9 | ... | ... | ... |
| **GROUND NUTS[e] & OIL** | | | | | | | | | | | | | |
| India | 1.8 | 4.4 | 8.0 | 6.1 | 0.3 | 0.2 | 0.2 | 0.04 | 0.1 | — | — | 0.04 | ... |
| Indonesia (groundnuts) | 0.6 | 0.6 | 0.3 | 0.1 | 0.5 | ... | 1.13 | ... | — 0.29 — | | ... | ... | ... |
| Thailand (groundnuts) | 1.1 | 1.2 | 1.2 | 1.0 | 1.5 | 1.5 | 1.8 | 1.1 | ... | ... | ... | ... | ... |
| **COTTON YARN** | | | | | | | | | | | | | |
| Hong Kong | 1.34 | 0.90 | 0.84 | 1.04 | 1.21 | 1.23 | 1.44 | 1.05 | 0.92 | 0.98 | 0.85 | 1.13 | ... |
| Japan | 1.80 | 1.42 | 1.22 | 1.40 | 0.95 | 1.32 | ... | 1.42 | 0.47 | 0.56 | 0.49 | 0.40 | 0.37 |
| **COTTON FABRICS** *(million sq. metres)* | | | | | | | | | | | | | |
| Hong Kong | 26.2 | 19.4 | 27.5 | 27.4 | 32.6 | 36.6 | 36.9 | 41.3 | 37.0 | 36.3 | 32.7 | 45.0 | ... |
| Japan | 98.3 | 100.9 | 84.0 | 82.6 | 84.0 | 82.7 | 80.8 | 104.7 | 66.8 | 67.7 | 60.3 | 71.3 | 60.6 |
| India *(million metres)* | 46.1 | 42.7 | 44.7 | 44.8 | 45.3 | 38.8 | 30.9 | 32.9 | 39.8 | 31.6 | 37.4 | 47.1 | ... |
| **TIN METAL** | | | | | | | | | | | | | |
| Indonesia | 0.15 | — | 0.02 | 0.05 | 0.05 | ... | — | ... | — 0.08 — | | ... | ... | ... |
| Malaysia: West[d] | 6.61 | 6.89 | 7.29 | 6.04 | 6.21 | 6.06 | 5.95 | 6.27 | 6.26 | 6.24 | 5.99 | 6.59 | 4.87 |
| Thailand | — | — | — | — | 0.40 | 1.47 | 1.30 | 1.92 | 2.58 | 2.49 | 1.94 | 2.26 | 2.03 |

a. Pepper only. b. Port of Bangkok only. c. Net exports. d. Including Singapore.

e. In terms of oil equivalent.

## 26. INDEX NUMBERS OF QUANTUM, UNIT VALUE AND TERMS OF TRADE

*1958 = 100*[a]

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| *A. Quantum* | | | | | | | | | | | | | |
| CEYLON *(Central Bank index)* | | | | | | | | | | | | | |
| Imports | 91 | 92 | 79 | 105 | 77 | 107 | 114 | 94 | 87 | 106 | 82 | 68 | 70 |
| Exports | 107 | 115 | 111 | 119 | 125 | 114 | 117 | 94 | 120 | 117 | 133 | 94 | 100 |
| CHINA (Taiwan) | | | | | | | | | | | | | |
| Imports *(ordinary and ICA)* | 133 | 134 | 154 | 176 | 223 | 242 | 218 | 310 | 261 | 294 | ... | ... | ... |
| Exports | 95 | 108 | 134 | 177 | 201 | 224 | 243 | 227 | 234 | 279 | ... | ... | ... |
| INDIA | | | | | | | | | | | | | |
| Imports | 111 | 120 | 117 | 125 | 151 | 149 | 161 | 132 | 154 | 149 | ... | ... | ... |
| Exports | 105 | 111 | 120 | 134 | 124 | 116 | 109 | 125 | 130 | 107 | ... | ... | ... |
| MALAYSIA: West | | | | | | | | | | | | | |
| Imports | 134 | 152 | 151 | 144 | 168 | ... | ... | ... | ... | ... | ... | ... | ... |
| Exports | 133 | 136 | 146 | 146 | 159 | ... | ... | ... | ... | ... | ... | ... | ... |
| PHILIPPINES | | | | | | | | | | | | | |
| Imports | 103 | 97 | 95 | 118 | 121 | 129 | 133 | 151 | 136 | 164 | ... | ... | ... |
| Exports | 103 | 113 | 140 | 144 | 148 | 160 | 172 | 144 | 139 | 153 | ... | ... | ... |
| THAILAND | | | | | | | | | | | | | |
| Imports | 123 | 146 | 165 | 183 | 206 | 327 | 313 | 395 | 404 | 279 | ... | ... | ... |
| Exports | 146 | 142 | 146 | 185 | 192 | 206 | 168 | 214 | 256 | 210 | ... | ... | ... |
| VIET-NAM, Republic of | | | | | | | | | | | | | |
| Imports | 114 | 118 | 131 | 150 | 166 | 445 | 410 | 973 | 276 | 302 | ... | ... | ... |
| Exports | 160 | 124 | 156 | 101 | 75 | 51 | 44 | 75 | 53 | 36 | ... | ... | ... |
| AUSTRALIAφ | | | | | | | | | | | | | |
| Imports | 139 | 114 | 141 | 154 | 184 | 186 | 198 | 178 | 191 | 199 | ... | ... | ... |
| Exports | 127 | 145 | 141 | 165 | 163 | 164 | 171 | 182 | 186 | 204 | ... | ... | ... |
| JAPAN | | | | | | | | | | | | | |
| Imports | 202 | 199 | 236 | 271 | 273 | 322 | 317 | 350 | 369 | 411 | 394 | 426 | 428 |
| Exports | 148 | 177 | 198 | 245 | 315 | 366 | 378 | 424 | 341 | 373 | 404 | 314 | 374 |
| NEW ZEALAND | | | | | | | | | | | | | |
| Imports | 114 | 97 | 118 | 126 | 138 | 141 | 151 | 135 | 134 | 138 | 110 | ... | ... |
| Exports | 109 | 112 | 120 | 124 | 122 | 128 | 106 | 102 | 150 | 142 | ... | ... | ... |
| *B. Unit Value* | | | | | | | | | | | | | |
| CEYLON *(Central Bank index)* | | | | | | | | | | | | | |
| Imports | 101 | 95 | 105 | 107 | 109 | 119 | 119 | 125 | 123 | 123 | 134 | 143 | 136 |
| Exports | 95 | 93 | 93 | 93 | 95 | 90 | 88 | 85 | 88 | 84 | 81 | 84 | 87 |
| CHINA (Taiwan) | | | | | | | | | | | | | |
| Imports *(ordinary and ICA)* | 92 | 89 | 93 | 90 | 92 | 97 | 98 | 97 | 96 | 96 | ... | ... | ... |
| Exports | 87 | 84 | 106 | 108 | 85 | 84 | 80 | 85 | 85 | 85 | ... | ... | ... |
| INDIA | | | | | | | | | | | | | |
| Imports | 99 | 94 | 97 | 99 | 102 | 128 | 142 | 160 | 160 | 161 | ... | ... | ... |
| Exports | 111 | 106 | 106 | 106 | 112 | 147 | 179 | 170 | 163 | 175 | ... | ... | ... |
| MALAYSIA: West | | | | | | | | | | | | | |
| Imports | 99 | 97 | 101 | 107 | 93 | ... | ... | 114 | ... | ... | ... | ... | ... |
| Exports | 105 | 102 | 99 | 101 | 104 | ... | ... | 99 | ... | ... | ... | ... | ... |
| PAKISTAN[b] | | | | | | | | | | | | | |
| Imports | 102 | 101 | 101 | 98 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Exports | 158 | 114 | 110 | 112 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| PHILIPPINES | | | | | | | | | | | | | |
| Imports | 106 | 108 | 115 | 116 | 118 | 120 | 120 | 120 | 121 | 120 | ... | ... | ... |
| Exports | 98 | 99 | 105 | 104 | 106 | 106 | 104 | 105 | 107 | 106 | ... | ... | ... |
| THAILAND | | | | | | | | | | | | | |
| Imports | 102 | 96 | 94 | 95 | 95 | 94 | 94 | 94 | 94 | 93 | ... | ... | ... |
| Exports | 106 | 104 | 103 | 103 | 105 | 108 | 109 | 105 | 108 | 110 | ... | ... | ... |
| VIET-NAM, Republic of | | | | | | | | | | | | | |
| Imports | 95 | 96 | 93 | 86 | 92 | 109 | 139 | 125 | 213 | 218 | ... | ... | ... |
| Exports | 81 | 83 | 90 | 88 | 87 | 112 | 185 | 192 | 180 | 166 | ... | ... | ... |
| AUSTRALIAφ | | | | | | | | | | | | | |
| Imports | 103 | 103 | 103 | 104 | 106 | 108 | 110 | 109 | 110 | ... | ... | ... | ... |
| Exports | 92 | 94 | 99 | 112 | 103 | 105 | 107 | 102 | 102 | 101 | 98 | ... | ... |
| JAPAN | | | | | | | | | | | | | |
| Imports | 95 | 93 | 94 | 96 | 89 | 98 | 97 | 96 | 97 | 96 | 95 | 95 | 95 |
| Exports | 99 | 97 | 96 | 95 | 93 | 93 | 93 | 93 | 93 | 95 | 96 | 95 | 95 |
| NEW ZEALAND | | | | | | | | | | | | | |
| Imports | 99 | 98 | 98 | 98 | 98 | 99 | 98 | 100 | 102 | 101 | ... | ... | ... |
| Exports | 105 | 107 | 118 | 127 | 123 | 122 | 123 | 119 | 115 | 112 | 108 | ... | ... |
| *C. Terms of trade*<br>*Percentage of unit value index of exports to unit value index of imports* | | | | | | | | | | | | | |
| CEYLON *(Central Bank index)* | 94 | 98 | 89 | 86 | 88 | 76 | 74 | 68 | 71 | 69 | 60 | 59 | 64 |
| CHINA (Taiwan) | 95 | 94 | 114 | 120 | 92 | 87 | 82 | 88 | 89 | 89 | ... | ... | ... |
| INDIA | 112 | 113 | 109 | 107 | 110 | 115 | 126 | 106 | 102 | 109 | ... | ... | ... |
| MALAYSIA: West | 106 | 105 | 98 | 94 | 112 | ... | ... | 87 | ... | ... | ... | ... | ... |
| PAKISTAN | 155 | 113 | 109 | 114 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| PHILIPPINES | 92 | 92 | 91 | 90 | 90 | 88 | 87 | 88 | 88 | ... | ... | ... | ... |
| THAILAND | 104 | 109 | 109 | 109 | 110 | 115 | 116 | 112 | 117 | 119 | ... | ... | ... |
| VIET-NAM, Republic of | 85 | 86 | 97 | 102 | 95 | 103 | 133 | 153 | 85 | 76 | ... | ... | ... |
| AUSTRALIAφ | 89 | 91 | 96 | 108 | 97 | 97 | 97 | 94 | 93 | ... | ... | ... | ... |
| JAPAN | 104 | 104 | 102 | 99 | 94 | 95 | 96 | 97 | 96 | 99 | 101 | 100 | 100 |
| NEW ZEALAND | 106 | 109 | 120 | 130 | 126 | 123 | 126 | 119 | 113 | 111 | ... | ... | ... |

[a] Original base: *Ceylon*, 1958; *China: Taiwan*, 1961; *India*, 1958; *Malaysia (West)*, 1959; *Pakistan*, Apr 1948/Mar 1949; *Philippines*, 1955; *Thailand*, 1953; *Republic of Viet-Nam*, 1949; *Japan*, 1960; For *Australia* and *New Zealand*, see United Nations, *Supplement to the Monthly Bulletin of Statistics, 1963*.

[b] Imports excluding land trade, index in terms of U.S. dollars.

## 27. INDEX NUMBERS OF WHOLESALE PRICES

*1958=100*[a]

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| **BURMA†** *(1961-62=100)* | | | | | | | | | | | | | |
| All agricultural produce | 100 | 100 | 93 | 86 | 88 | 88 | 89 | ... | ... | ... | ... | ... | ... |
| Cereals | 92 | 100 | 99 | 90 | 92 | 92 | 93 | ... | ... | ... | ... | ... | ... |
| Non-food agricultural produce | 95 | 100 | 93 | 84 | 85 | 89 | 88 | ... | ... | ... | ... | ... | ... |
| **CHINA (Taipei)** | | | | | | | | | | | | | |
| General index | 131 | 135 | 143 | 147 | 140 | 142 | 144 | 146 | 145 | 144 | 145 | 147 | 147 |
| Food | 143 | 146 | 160 | 167 | 156 | 159 | 161 | 164 | 164 | 162 | 161 | 164 | 165 |
| Apparel | 109 | 113 | 116 | 117 | 114 | 109 | 109 | 109 | 109 | 109 | 108 | 108 | 109 |
| Metals and manufactures thereof | 106 | 102 | 100 | 102 | 102 | 98 | 98 | 98 | 98 | 98 | 97 | 96 | 96 |
| Building materials | 108 | 104 | 103 | 104 | 110 | 113 | 120 | 118 | 115 | 122 | 134 | 155 | 125 |
| Manufactured products | 111 | 118 | 131 | 142 | 140 | 146 | 147 | 151 | 150 | 150 | *150* | ... | ... |
| Industrial materials | 121 | 114 | 116 | 116 | 118 | 125 | 127 | 130 | 127 | 127 | *125* | ... | ... |
| **INDIA** | | | | | | | | | | | | | |
| General index | 113 | 115 | 119 | 134 | 145 | 165 | 171 | 173 | 182 | 188 | 198 | 199 | 194 |
| Food articles | 107 | 112 | 118 | 138 | 148 | 169 | 176 | 181 | 192 | 206 | 230 | 232 | 221 |
| Industrial raw materials | 129 | 120 | 120 | 136 | 158 | 191 | 202 | 195 | 208 | 204 | 192 | 189 | 190 |
| Manufactured articles | 117 | 118 | 120 | 125 | 135 | 148 | 149 | 151 | 155 | 155 | 153 | 153 | 153 |
| Intermediate products | 127 | 128 | 126 | 136 | 152 | 179 | 183 | 189 | 200 | 201 | 196 | 193 | 193 |
| Finished products | 116 | 117 | 119 | 123 | 132 | 143 | 143 | 145 | 147 | 147 | 146 | 146 | 146 |
| **IRAN**[b] | | | | | | | | | | | | | |
| General index | 102 | 103 | 104 | 108 | 111 | 110 | 107 | 109 | 112 | 112 | *108* | 108 | 109 |
| Domestic goods[c] | 103 | 104 | 103 | 109 | 114 | 112 | 108 | 110 | 114 | 115 | *108* | 111 | 110 |
| Imported goods | 104 | 107 | 109 | 110 | 111 | 112 | 112 | 112 | 114 | 113 | *114* | 114 | 114 |
| Exported goods | 98 | 98 | 99 | 101 | 102 | 101 | 102 | 103 | 104 | 103 | *102* | 102 | 102 |
| Farm products | 105 | 105 | 104 | 112 | 118 | 116 | 109 | 114 | 123 | 122 | *110* | 109 | 110 |
| Building materials | 90 | 87 | 84 | 90 | 92 | 92 | 93 | 92 | 92 | 95 | *96* | 95 | 94 |
| **KOREA, Republic of** *(1960=100)* | | | | | | | | | | | | | |
| General index | 113 | 124 | 149 | 201 | 221 | 238 | 244 | 243 | 242 | 253 | 257 | 258 | 258 |
| Food and beverage | 118 | 133 | 183 | 251 | 247 | 263 | 277 | 263 | 265 | 293 | 299 | 292 | 290 |
| Metal and metal products | 102 | 108 | 118 | 162 | 199 | 224 | 227 | 223 | 225 | 231 | 235 | 235 | 236 |
| Machinery and machine parts | 103 | 104 | 114 | 143 | 164 | 192 | 196 | 202 | 203 | 205 | 212 | 218 | 220 |
| Building materials | 107 | 116 | 124 | 166 | 196 | 222 | 225 | 222 | 223 | 226 | 227 | 229 | 230 |
| Fibre and fibre products | 112 | 119 | 136 | 193 | 236 | 254 | 253 | 269 | 269 | 269 | 274 | 283 | 284 |
| Import goods | 116 | 126 | 150 | 210 | 253 | 252 | 252 | 253 | 237 | 236 | 236 | 235 | 233 |
| Producer goods | 114 | 125 | 139 | 185 | 217 | 232 | 234 | 237 | 232 | 234 | 237 | 240 | 241 |
| Consumer goods | 113 | 123 | 157 | 213 | 224 | 242 | 252 | 247 | 249 | 266 | 271 | 270 | 270 |
| **PAKISTAN**ø *(1959-60=100)* | | | | | | | | | | | | | |
| General | 103 | 106 | 105 | 105 | 112 | 118 | 133 | 134 | 135 | 134 | 132 | 130 | 129 |
| Food | 100 | 107 | 105 | 104 | 112 | 117 | 137 | 138 | 142 | 142 | 141 | 137 | 136 |
| Raw materials | 119 | 107 | 105 | 105 | 121 | 125 | 132 | 130 | 125 | 113 | 107 | 105 | 105 |
| Fuel, lighting and lubricants | 99 | 99 | 99 | 104 | 105 | 108 | 118 | 118 | 118 | 118 | 119 | 119 | 118 |
| Manufactured products | 101 | 102 | 105 | 106 | 107 | 113 | 117 | 117 | 117 | 116 | 117 | 119 | 119 |
| **PHILIPPINES (Manila)** | | | | | | | | | | | | | |
| General index | 111 | 116 | 128 | 134 | 137 | 143 | 144 | 144 | 146 | 146 | 149 | 151 | 156 |
| Food | 108 | 111 | 126 | 134 | 136 | 150 | 153 | 153 | 156 | 154 | *156* | ... | ... |
| Crude materials | 115 | 129 | 144 | 152 | 164 | 154 | 152 | 152 | 155 | 164 | *168* | ... | ... |
| Chemicals | 105 | 120 | 126 | 128 | 130 | 129 | 128 | 128 | ... | ... | ... | ... | ... |
| Manufactured goods | 112 | 116 | 120 | 124 | 127 | 130 | 130 | 130 | 131 | 130 | *130* | ... | ... |
| Domestic products | 109 | 113 | 125 | 132 | 136 | 142 | 144 | 144 | 146 | 147 | 150 | 152 | ... |
| Exported products | 114 | 138 | 166 | 161 | 165 | 164 | 163 | 162 | 169 | 173 | 178 | 182 | ... |
| Imported products | 121 | 133 | 141 | 142 | 143 | 145 | 145 | 144 | 146 | 145 | 146 | 146 | ... |
| **THAILAND (Bangkok)** | | | | | | | | | | | | | |
| General index | 100 | 106 | 99 | 93 | 96 | *110* | 114 | 118 | 116 | 118 | 121 | 121 | 115 |
| Agricultural produce[d] | 93 | 98 | 89 | 79 | 84 | *101* | 105 | 114 | 102 | 104 | 105 | 104 | 98 |
| Foodstuffs[d] | 100 | 110 | 102 | 96 | 98 | *114* | 120 | 124 | 126 | 128 | 136 | 136 | 128 |
| Clothes | 101 | 102 | 102 | 107 | 112 | *112* | 112 | 111 | 111 | 111 | 111 | 110 | 110 |
| Metal | 109 | 103 | 100 | 104 | 107 | *107* | 110 | 112 | 111 | 111 | 106 | 107 | 107 |
| Construction materials | 101 | 112 | 111 | 111 | 111 | *111* | 111 | 111 | 111 | 112 | 111 | 111 | 111 |
| **VIET-NAM (Saigon-Cholon)** | | | | | | | | | | | | | |
| General index | 111 | 114 | 118 | 122 | *132* | *172* | 191 | 197 | 217 | 227 | 233 | 231 | 235 |
| Rice and paddy | 111 | 108 | 107 | 115 | *131* | *164* | 177 | 185 | 247 | 268 | 264 | 266 | 267 |
| Raw materials | 108 | 105 | 100 | 98 | *96* | *128* | 160 | 159 | 159 | 162 | 158 | 140 | 149 |
| Semi-finished products | 103 | 117 | 115 | 115 | *137* | *254* | 272 | 278 | 280 | 280 | 280 | 280 | 282 |
| Manufactured products | 117 | 124 | 129 | 133 | *138* | *155* | 161 | 171 | 177 | 177 | 184 | 194 | 187 |
| Local products | 110 | 108 | 111 | 114 | 126 | *171* | 192 | 197 | 226 | 241 | 247 | 242 | 249 |
| Imported products | 114 | 127 | 133 | 139 | 146 | *175* | 187 | 198 | 199 | 200 | 206 | 210 | 207 |

## 27. INDEX NUMBERS OF WHOLESALE PRICES *(Cont'd)*

*1958=100*[a]

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| **AUSTRALIA** | | | | | | | | | | | | | |
| Basic materials[e] | 103 | 100 | 102 | 105 | 108 | 113 | 114 | 114 | 114 | 115 | 118 | 113 | 113 |
| Domestic goods | 106 | 103 | 105 | 108 | 113 | 118 | 120 | 120 | 120 | 121 | 125 | 118 | 118 |
| Imported goods | 94 | 93 | 94 | 95 | 95 | 97 | 97 | 97 | 98 | 98 | 98 | 99 | 99 |
| Building materials | 101 | 101 | 104 | 113 | 116 | 117 | 117 | 118 | 118 | 118 | 117 | 118 | 118 |
| **JAPAN** *(1960=100)* | | | | | | | | | | | | | |
| General index | 101 | 99 | 101 | 101 | 102 | 106 | 106 | 107 | 108 | 108 | 109 | 110 | 111 |
| Foodstuffs | 101 | 101 | 107 | 107 | 111 | 116 | 115 | 116 | 116 | 116 | 117 | 122 | 122 |
| Textiles | 101 | 98 | 108 | 104 | 102 | 105 | 106 | 108 | 111 | 113 | 115 | 118 | 117 |
| Metal products | 102 | 99 | 97 | 100 | 102 | 103 | 104 | 106 | 108 | 108 | 108 | 108 | 108 |
| Machinery | 98 | 97 | 96 | 95 | 95 | 95 | 96 | 95 | 95 | 96 | 96 | 96 | 96 |
| Building materials | 106 | 106 | 105 | 106 | 107 | 117 | 118 | 120 | 126 | 124 | 124 | 125 | 126 |
| Chemical goods | 98 | 94 | 93 | 94 | 95 | 93 | 92 | 92 | 92 | 92 | 92 | 92 | 92 |
| Producer goods | 102 | 99 | 100 | 100 | 100 | 105 | 106 | 107 | 108 | 108 | 108 | 109 | 110 |
| Consumer goods | 101 | 101 | 105 | 105 | 109 | 113 | 113 | 114 | 114 | 114 | 115 | 120 | 120 |
| **NEW ZEALAND** | | | | | | | | | | | | | |
| General | 102 | 102 | 105 | 110 | 111 | 112 | 112 | 111 | 112 | 113 | 111 | 113 | 113 |
| Domestic goods | 102 | 102 | 105 | 112 | 113 | 114 | 114 | 112 | 112 | 113 | 111 | 113 | 113 |
| Imported goods | 102 | 102 | 104 | 104 | 106 | 108 | 108 | 109 | 110 | 112 | 112 | 112 | 112 |
| Building materials | 105 | 106 | 106 | 109 | 112 | 115 | 115 | 116 | 118 | 119 | 119 | 119 | 119 |

a. Original base: China, 1956, except indexes of manufactured products and industrial materials for which the base is 1953; India, Apr 1952/Mar 1953; Philippines, 1955; Thailand, Apr 1938/Mar 1939; Republic of Viet-Nam, 1949; Australia, average 3 years ended June 1939.

b. Base 21st March 1959 to 20th March 1960.

c. Home produced and consumed goods.

d. Agricultural produce including paddy, rice meal, copra, rubber, etc., foodstuffs including milled rice, pork, bananas, etc.

e. Home consumption of foodstuffs and industrial raw materials.

## 28. INDEX NUMBERS OF PRICES RECEIVED AND PAID BY FARMERS

*1958=100*[a]

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| **CHINA** (Taiwan)[b] | | | | | | | | | | | | | |
| Prices received by farmers (R) | 101 | 96 | 103 | 109 | 107 | 110 | 117 | 116 | 115 | 112 | 114 | 117 | 120 |
| Prices paid by farmers (P) | 99 | 99 | 102 | 105 | 105 | 108 | 109 | 109 | 111 | 111 | 113 | 112 | 114 |
| Productive goods | 103 | 98 | 100 | 104 | 105 | 105 | 106 | 108 | 107 | 106 | 105 | 106 | 107 |
| Domestic expenditure | *98* | 99 | 102 | 104 | 105 | 109 | 110 | 110 | 110 | 110 | 112 | 112 | 113 |
| Financial and others | 94 | 102 | 103 | 107 | 108 | 111 | 112 | 111 | 122 | 127 | 128 | 124 | 130 |
| Ratio (R) ÷ (P) | *102* | 97 | 101 | 104 | 102 | 102 | 107 | 106 | 103 | 101 | 102 | 104 | 105 |
| **INDIA** (Punjab) | | | | | | | | | | | | | |
| Prices received by farmers (R) | 99 | 101 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Prices paid by farmers (P) | 108 | 115 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Cultivation cost | 107 | 107 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Domestic expenditure | 110 | 120 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Ratio (R) ÷ (P) | 91 | 87 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **INDIA** (West Bengal) | | | | | | | | | | | | | |
| Prices received by farmers (R) | 98 | 102 | 105 | 113 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Prices paid by farmers (P) | 106 | 110 | 121 | 129 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Cultivation cost | *110* | 116 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Domestic expenditure | *104* | 107 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Ratio (R) ÷ (P) | 92 | 93 | 87 | 88 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **KOREA, Republic of** *(1959=100)* | | | | | | | | | | | | | |
| Prices received by farmers (R) | 137 | 156 | 221 | 274 | 302 | 317 | 331 | 311 | 330 | 384 | 385 | 385 | 382 |
| Prices paid by farmers (P) | 123 | 137 | 165 | 222 | 258 | 282 | 283 | 293 | 300 | 324 | 331 | 345 | 349 |
| Farm supplies | 123 | 140 | 142 | 182 | 268 | 287 | 286 | 286 | 286 | 335 | 340 | 351 | 352 |
| Domestic expenditure | 125 | 138 | 176 | 241 | 255 | 280 | 279 | 295 | 307 | 320 | 325 | 339 | 345 |
| Wages and services | 115 | 124 | 162 | 223 | 244 | 276 | 283 | 289 | 292 | 313 | 331 | 347 | 350 |
| Ratio (R) ÷ (P) | 111 | 114 | 134 | 123 | 117 | 112 | 117 | 106 | 110 | 118 | 116 | 112 | 110 |
| **AUSTRALIA**ø *(Sep 1958-Jun 1959=100)* | | | | | | | | | | | | | |
| Prices received by farmers (R) | 101 | 103 | 108 | 114 | 114 | 114 | 114 | 113 | 111 | 113 | ... | ... | ... |
| Prices paid by farmers (P) | 105 | 105 | 106 | 108 | 113 | 117 | 117 | 118 | 118 | 119 | ... | ... | ... |
| Cultivation cost | 109 | 109 | 110 | 111 | 118 | 122 | 123 | 123 | 122 | 124 | ... | ... | ... |
| Domestic expenditure | 100 | 100 | 100 | 103 | 107 | 110 | 110 | 111 | 112 | 113 | ... | ... | ... |
| Ratio (R) ÷ (P) | 96 | 97 | 102 | 106 | 100 | 97 | 97 | 96 | 94 | 95 | ... | ... | ... |
| **JAPAN**‡ *(Apr 1957-Mar 1958=100)* | | | | | | | | | | | | | |
| Prices received by farmers (R) | 113 | 124 | 133 | 139 | 155 | 157 | 159 | 162 | 169 | 169 | 173 | 181 | 182 |
| Prices paid by farmers (P) | 106 | 109 | 114 | 117 | 123 | 129 | 129 | 132 | 133 | 135 | 138 | 140 | 141 |
| Cultivation cost | 102 | 104 | 107 | 108 | 114 | 119 | 119 | 122 | 123 | 125 | 127 | 129 | 130 |
| Domestic expenditure | 109 | 112 | 118 | 122 | 129 | 134 | 135 | 137 | 138 | 141 | 144 | 146 | 147 |
| Ratio (R) ÷ (P) | 106 | 114 | 116 | 119 | 125 | 122 | 122 | 122 | 127 | 124 | 125 | 129 | 129 |

a. Original base: *India, Punjab*, Sep 1938/Aug 1939; *West* Bengal, 1939; *Australia*, average of 5 years ended June 1950; *Japan*, Apr 1960/Mar 1961.

b. Base: average of 1961, 1962 and 1963 = 100.

## 29. PRICE QUOTATIONS OF MAJOR EXPORT COMMODITIES

| | Unit | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | III | IV | I | II | III | Oct | Nov |
| **LAMB** | | | | | | | | | | | | | | |
| New Zealand | US$ per 100 lbs | 18.46 | 18.44 | 19.64 | 22.27 | 25.82 | 23.27 | 24.32 | 20.23 | 22.85 | 21.15 | 20.11 | 20.03 | 16.62 |
| **BUTTER** | | | | | | | | | | | | | | |
| Australia | Sh. Sterling per cwt | 254.2 | 296.5 | 325.2 | 337.5 | 329.9 | 300.5 | 300.0 | 300.0 | 300.0 | 300.0 | 300.0 | 300.0 | ... |
| New Zealand | US$ per 100 lbs | 29.6 | 32.3 | 35.6 | 38.3 | 38.2 | 34.6 | 34.9 | 33.8 | 33.4 | 34.3 | 33.5 | 34.2 | 31.3 |
| **WHEAT** | | | | | | | | | | | | | | |
| Australia | A. cents per 60 lbs | 138 | 147 | 145 | 153 | 136 | 151 | 155 | 157 | 154 | 153 | 146 | 142 | 142 |
| **RICE** | | | | | | | | | | | | | | |
| Burma | £ per long ton | 33.0 | 33.2 | 34.7 | 36.3 | 37.6 | 37.6 | 37.6 | 37.6 | 43.7 | 43.7 | 43.7 | 43.7 | 43.7 |
| Cambodia | Ri. per 100 kg | 452 | 501 | 489 | 480 | 480 | ... | ... | ... | ... | ... | ... | ... | ... |
| China (Taiwan) | NT$ per m. ton | 5,766 | 5,772 | 5,991 | 6,275 | 6,388 | 6,688 | 6,687 | 6,693 | 6,799 | 7,899 | 6,457 | ... | ... |
| Thailand | £ per long ton | 49.0 | 55.7 | 52.3 | 48.0 | 47.5 | 56.9 | 60.7 | 57.7 | 69.4 | 76.7 | 84.1 | 88.5 | ... |
| **SUGAR** | | | | | | | | | | | | | | |
| China (Taiwan) | US$ per m. ton | 88.2 | 77.3 | 166.8 | 154.5 | 74.4 | 64.1 | 54.5 | 56.0 | 57.2 | 67.7 | 78.3 | 64.9 | 58.9 |
| India | Rs. per maund | 37.5 | 38.2 | 40.7 | 44.5 | 45.3 | 47.7 | 48.0 | 48.1 | 50.6 | 51.9 | 53.6 | 53.6 | 53.6 |
| Indonesia | Rp. per 100 kg | 590 | 980 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Philippines | Peso per picul | 21.0 | 26.8 | 35.8 | 28.6 | 27.1 | 32.4 | 32.9 | 33.6 | 34.2 | 34.7 | ... | ... | ... |
| **TEA** | | | | | | | | | | | | | | |
| Ceylon | Rs. per lb | 2.61 | 2.68 | 2.49 | 2.55 | 2.53 | 2.44 | 2.38 | *2.40* | 2.52 | 2.24 | 2.49 | 2.59 | ... |
| China (Taiwan) | NT$ per kg | 22.47 | 20.90 | 20.06 | 16.36 | 15.32 | 18.68 | 19.54 | 20.00 | 17.31 | 17.15 | 20.42 | ... | .. |
| India | Rs. per kg | 4.85 | 5.10 | 5.18 | 5.10 | 5.50 | 6.40 | 9.17 | 5.68 | 5.21 | 7.87 | 7.18 | 6.27 | 5.76 |
| **PEPPER** | | | | | | | | | | | | | | |
| Cambodia | Ri. per 63.42 kg | 4,440 | 4,203 | 3,154 | 2,982 | 2,940 | ... | ... | .. | ... | ... | ... | ... | ... |
| India | Rs. per maund | 159.0 | 123.7 | 125.8 | 130.0 | *147.9* | *193.2* | 204.2 | 187.7 | 188.5 | 190.0 | 188.7 | 179.1 | 177.3 |
| Indonesia | Rp. per 100 kg | 3,600 | 2,872 | 2,313 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Malaysia | M$ per picul | 137.4 | 103.1 | 93.8[a] | 100.2 | 127.8 | 125.6 | 128.7 | 116.0 | 105.7 | 93.3 | 81.0 | *88.3* | *88.3* |
| Singapore | M$ per picul | 141.1 | 124.9 | 105.59 | 118.05 | 145.45 | 145.28 | 147.41 | 131.56 | 110.66 | 107.38 | 91.97 | 104.80 | 103.19 |
| **HIDES** | | | | | | | | | | | | | | |
| Pakistan | Rs. per 82 lbs[b] | 115.43 | 113.27 | ‖30.73[a] | 26.84 | 21.82 | 26.18 | 27.83 | 32.00 | 20.50 | 16.00 | 16.00 | 16.00 | 16.50 |
| **SKINS** | | | | | | | | | | | | | | |
| India | Rs. per 100 pcs | 264.2 | 291.3 | 307.2 | 333.9 | 343.5 | 758.4 | 834.2 | 1,002.5 | 1,004.2 | 942.5 | 910.0 | 750.0 | 662.5 |
| Pakistan | Rs. per 100 pcs | 203.8 | 150.3 | 150.0 | 159.7 | 200.0 | 273.5 | 300.0 | 250.0 | 200.0 | 200.0 | 233.3 | 300.0 | 262.5 |
| **GROUNDNUTS** | | | | | | | | | | | | | | |
| India | Rs. per maund | 36.59 | 34.46 | 33.66 | 42.64 | 49.15 | 70.61 | 80.77 | 67.55 | 81.02 | 73.52 | 64.23 | 57.57 | 56.63 |
| **COPRA** | | | | | | | | | | | | | | |
| Ceylon | Rs. per candy | 217.4 | 203.7 | 227.8 | 237.2 | 296.0 | 294.6 | 303.4 | 289.4 | 253.1 | 266.1 | 281.0 | 266.4 | 353.8 |
| Malaysia | M$ per picul | 26.63 | 27.27 | 29.89 | ... | ... | ... | ... | ... | ... | ... | .. | ... | 38.00 |
| Indonesia | Rp. per 100 kg | 651 | 588 | 616 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Philippines | Peso per 100 kg | 38.14 | 47.31 | 54.09 | 56.00 | 64.25 | 55.57 | 53.11 | 53.82 | 56.53 | 57.91 | ... | ... | ... |
| **RUBBER, NATURAL** | | | | | | | | | | | | | | |
| Ceylon | Rs. per lb | 1.35 | 1.35 | 1.27 | 1.18 | 1.21 | 1.18 | 1.17 | 1.16 | 1.21 | 1.13 | 0.93 | ... | ... |
| Indonesia | Rp. per 100 kg | 2,671 | 2,535 | 2,419 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Singapore | M Cents per lb | 83.54 | 78.20 | 72.42 | 68.14 | 70.02 | 65.36 | 62.64 | 61.90 | 57.54 | 56.75 | 52.69 | 50.22 | 49.20 |
| Thailand | Baht per kg | 12.04 | 11.15 | 10.48 | 9.75 | 10.02 | *9.50* | 9.42 | 8.87 | ... | ... | ... | ... | ... |
| United Kingdom | Pence per lb | 24.5 | 23.0 | 21.4 | 20.2 | 20.8 | 19.5 | 18.7 | 18.4 | 17.3 | 17.1 | 16.0 | 14.8 | 15.1 |
| **TIMBER** | | | | | | | | | | | | | | |
| Burma | K. per cu. ton | 1,017 | 1,083 | 1,069 | 978 | 1,073 | 1,228 | 1,365 | 1,192 | 1,118 | 1,181 | 1,425 | 1,510 | ... |
| Malaysia | M$ per ton 50 cu.ft | 80.5 | 88.2 | 90.0 | 78.8 | 87.1 | 96.1 | ... | *97.9* | ... | ... | ... | ... | ... |
| Philippines | US$ per 1,000 bd.ft | 57 | 62 | 65 | 60 | 53 | 56 | 56 | 58 | 59 | 59 | ... | ... | ... |
| Thailand | Baht per cu. m. | 5,098 | 5,257 | 5,227 | 5,182 | 5,270 | 5,658 | 5,795 | 5,893 | ... | ... | ... | ... | ... |
| **WOOL, RAW** | | | | | | | | | | | | | | |
| Pakistan | Rs. per lb | 2.44 | 2.42 | 2.53 | 2.62 | 2.58 | 2.30 | 2.35 | 2.02 | 1.81 | 2.10 | 1.89 | 1.42 | 1.66 |
| Australia | US$ per 100 lbs | 50.5 | 51.1 | 60.5 | 60.4 | 52.3 | 57.2 | 58.0 | 53.9 | 53.1 | 53.1 | 49.3 | ... | 48.2 |
| New Zealand[c] | NZ cents per lb. | 32.6 | 35.7 | 45.9 | 35.1 | 34.7 | 29.4 | 31.1 | 33.2 | 28.8 | 26.6 | *19.4* | ... | ... |
| **COTTON, RAW** | | | | | | | | | | | | | | |
| Burma | K. per lb | 1.12 | 0.97 | 0.99 | 1.08 | 1.16 | *1.17* | *1.27* | *1.11* | *1.04* | ... | ... | ... | ... |
| India | Rs. per 784 lbs | 840.0 | 874.0 | 919.2 | 945.9 | 953.4 | *1,007.1* | *1,020.6* | *1,040.5* | 1,070.4 | 1,070.4 | 1,070.4 | ... | ... |
| Pakistan | Rs. per maund | 92.2 | 89.9 | 85.8 | 85.9 | 97.9 | 89.7 | 93.2 | 81.4 | 79.8 | 76.5 | 72.9 | 70.3 | 83.1 |
| **JUTE, RAW** | | | | | | | | | | | | | | |
| India | Rs. per 400 lbs | 293 | 236 | 232 | 240 | 285 | 364 | 415 | 388 | 402 | 346 | *304* | 330 | 328 |
| Pakistan | Rs. per maund | 58.94 | 33.64 | 34.03 | 39.94 | 42.28 | 49.59 | 48.40 | 48.93 | 48.42 | 44.37 | 37.95 | 38.00 | 41.75 |
| United Kingdom | £ per long ton | 167 | 111 | 111 | 121 | 130 | 145 | 139 | 146 | 133 | 125 | 111 | 110 | 112 |
| **HEMP, RAW** | | | | | | | | | | | | | | |
| Philippines | Peso per picul | 60.5 | ‖57.8 | 59.5 | 64.8 | 59.3 | 51.8 | 50.7 | 49.1 | 48.6 | 48.1 | ... | ... | ... |
| **PETROLEUM, CRUDE** | | | | | | | | | | | | | | |
| Indonesia | Rp. per m. ton | 622 | 629 | 676 | 647 | 602 | ... | ... | ... | ... | ... | ... | ... | ... |
| Iran | US$ per barrel | 1.63 | 1.63 | 1.63 | 1.63 | 1.63 | 1.63 | 1.63 | 1.63 | 1.63 | 1.63 | 1.63 | 1.63 | 1.63 |
| Malaysia | M$ per m. ton | 56 | 56 | 58 | 53 | 52 | 48 | 49 | 48 | 48 | 48 | 48 | *49* | *49* |
| **PETROLEUM PRODUCTS** | | | | | | | | | | | | | | |
| Indonesia | Rp. per litre | *1.13* | *1.10* | *1.21* | *1.13* | ... | ... | ... | ... | ... | ... | ... | ... | ... |

## 29. PRICE QUOTATIONS OF MAJOR EXPORT COMMODITIES *(Cont'd)*

| | Unit | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | III | IV | I | II | III | Oct | Nov |
| GROUNDNUT OIL | | | | | | | | | | | | | | |
| India . . . | *Rs. per quarter* | 26.62 | 24.37 | 23.03 | 29.24 | 34.33 | 53.00 | 61.02 | 50.90 | 58.09 | 57.27 | 45.81 | 43.61 | 40.54 |
| PALM OIL | | | | | | | | | | | | | | |
| Singapore . . | *M$ per picul* | 37.88 | 35.30 | 35.10 | 38.79 | 44.88 | *38.20* | 36.09 | 37.90 | 37.47 | 37.07 | 37.37 | *36.66* | *36.66* |
| COCONUT OIL | | | | | | | | | | | | | | |
| Ceylon . . . | *Rs. per long ton* | 1,163 | 1,102 | 1,221 | 1,308 | 1,662 | 1,489 | 1,500 | 1,342 | 1,177 | 1,289 | 1,314 | 1,341 | 1,333 |
| Philippines . . | *Peso per kg* | 0.66 | 0.79 | 0.88 | 0.96 | 1.12 | 0.98 | 0.92 | 0.93 | 0.99 | 0.98 | . . . | . . . | . . . |
| Singapore . . | *M$ per picul* | 41 | 42 | 48 | 54 | 62 | 49 | 46 | 44 | 47 | 49 | 49 | 53 | 60 |
| RAYON YARN | | | | | | | | | | | | | | |
| Japan . . . | *Yen per lb* | 147 | 151 | 172 | 175 | 170 | 164 | 164 | 165 | 164 | 163 | 163 | 162 | 162 |
| COTTON PIECEGOODS | | | | | | | | | | | | | | |
| India . . . | *Rs. per metre* | 0.66 | 0.66 | 0.64 | 0.64‖ | 1.14 | 1.20 | 1.19 | 1.24 | 1.24 | 1.27 | 1.28 | 1.28 | 1.28 |
| Japan . . . | *Yen per yd* | 51 | 50 | 49 | 51 | 48 | 45 | 46 | 47 | 54 | 54 | 55 | 56 | 54 |
| JUTE MANUFACTURES | | | | | | | | | | | | | | |
| India (bag) . . | *Rs. per 100 bags* | 161.3 | 124.6 | 112.5 | 127.2 | 166.7 | 187.6 | 176.6 | 167.3 | 175.3 | 160.0 | 145.6 | 154.0 | 151.3 |
| India (hessian) . | *Rs. per 100 yds* | 57.7 | 58.3 | 50.7 | 49.0 | 60.0 | 68.3 | 69.5 | 65.9 | 70.6 | 64.8 | *60.2* | 58.5 | 57.0 |
| TIN | | | | | | | | | | | | | | |
| Indonesia . . | *Rp. per m. ton* | *65,709* | 56,444 | 40,534 | 75,602 | 90,568 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| Singapore . . | *M$ per picul* | 446.9 | 447.8 | 455.4 | 619.4 | 702.8 | 645.2 | 619.1 | 606.3 | 601.9 | 605.9 | 601.2 | 595.1 | 601.6 |
| Thailand . . | *Baht per kg* | 34.1 | 34.5 | 33.7 | 39.0 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |

*SPECIFICATIONS:*

LAMB: *New Zealand* — Unit value of exports.

BUTTER: *Australia* — London Provision Exchange price for Australian choicest butter, *New Zealand* — Selling price on the London Provision Exchange for first quality.

WHEAT: *Australia* — Export price f.o.b. Wheat Board basic selling price, f.a.q., bulk.

RICE: *Burma* — Average of export contract prices f.o.b., white rice, No. 1 small mills special Ngasein, since 1967 white rice, Ngasein, 42% brokens, parboiled. *Cambodia*—Wholesale prices of white rice No. 1, 25% broken, at Phnom-Penh. *China (Taiwan)*—Unit value of export of rice and paddy. *Thailand*—Export price f.o.b. Bangkok, white rice, 5% broken.

SUGAR: *China (Taiwan)* — Monthly average price of all kinds of sugar f.o.b. Taiwan ports. *India*—Wholesale prices, D. 28 at Kanpur prior to Nov. 1961; 'D' 29 (Ex-Factory) for subsequent period. *Indonesia*—Domestic wholesale prices of white sugar, Djakarta. *Philippines*—Wholesale prices of centrifugal sugar, Manila.

TEA: *Ceylon*—Export price at Colombo auctions, high grown. *China (Taiwan)*—Unit value of export of black tea. *India*—Export price at Calcutta auctions, leaf, all types.

PEPPER: *Cambodia* — Wholesale prices, black ex-store. *India* — Wholesale prices, ungarbled (alleppey), Calcutta. *Indonesia* — Export prices, f.o.b. black Lampong. *Malaysia: Sarawak* — Unit value of exports of black pepper. *Singapore* — Average wholesale prices, black Lampong.

HIDES: *Pakistan* — Average wholesale prices of unframed arsinicated mixed 10/40 lbs. (buffalo), Karachi; since 1963 wet salted,, 80/20 selection (buffalo medium) Karachi.

SKINS: *India* — Wholesale prices of raw goat skin, average quality, Calcutta, *Pakistan* — Average wholesale prices of sheep skin, Papra (dewooled all primes), Karachi.

GROUNDNUTS: *India* — Wholesale prices of groundnuts, machine shelled, Cuddalore.

COPRA: *Ceylon* — F.o.b. prices for all grades. *Malaysia: West* — Wholesale prices, sundried, *Indonesia*—Export prices f.o.b. mixed, *Philippines*—Wholesale prices, resecada, Manila.

RUBBER, NATURAL: *Ceylon* — Unit value of exports of rubber sheet. *Indonesia* —Export prices f.o.b. R.S.S. 1 and Crepe 1. *Singapore*—Buyers' midday prices, f.o.b. Singapore No. 1 RSS in bales. Annual prices are the averages of daily prices. *Thailand* — Unit value of exports of rubber smoked sheet. Annual figures relate to whole kingdom, monthly and quarterly figures relate to Port of Bangkok only. *United Kingdom* — Domestic/import price c.i.f. London, No. 1 RSS.

TIMBER: *Burma* — Unit value of teak exports. *Malaysia: Sabah* — Unit value of sawn logs and veneer logs, non-coniferous. *Philippines* — Unit value of exports of logs and lumber. *Thailand* — Unit value of exports of teak board. Annual figures relate to whole kingdom, monthly and quarterly figures relate to Port of Bangkok only.

WOOL, RAW: *Pakistan* — Unit value of exports. *Australia* — Average prices of greasy wool at auctions in Sydney. *New Zealand* — All qualities, average auction price of greasy wool.

COTTON, RAW: *Burma* — Unit value of exports. *India* — Wholesale prices, Jarilla M.G.F. of Madhya Pradesh 26/32" for Jan. 1960 to Oct. 1962; of M.G. Moglai Jarilla Fine 25/32" for subsequent period. *Pakistan*—Monthly average wholesale prices of 289 F. Punjab R.G. Karachi.

JUTE, RAW: *India* — Domestic price at Calcutta, raw lightnings. *Pakistan* — Average wholesale price of jute raw, white (bottom) at Narayanganj. *United Kingdom* — Domestic/import price c.i.f. Dundee, Pakistan mill lightnings; prior to 1962, mill firsts.

HEMP, RAW: *Philippines* — Domestic/export price at Manila, Manila hemp, grade G; beginning 1962, unmanufactured domestic price at Manila.

PETROLEUM, CRUDE: *Indonesia* — Unit value of exports of crude petroleum. *Iran* — Export price, f.o.b. Gach-Saran, ex Kharg Is., 31.0—31.9° API gravity. *Malaysia: Sarawak* — Unit value of exports of crude petroleum.

PETROLEUM PRODUCTS: *Indonesia* — Unit value of exports of motor spirit.

GROUNDNUT OIL: *India* — Wholesale prices, naked, Bombay.

PALM OIL: *Singapore* — Monthly average wholesale produce prices f.o.b. Singapore.

COCONUT OIL: *Ceylon* — F.o.b. prices for all grades. *Philippines* — Wholesale prices, Manila. *Singapore* — F.o.b. Singapore.

RAYON YARN: *Japan* — Export prices f.o.b., viscose, 120 denier, hank, 1st grade.

COTTON PIECEGOODS: *India* — Modern mills grey shirting 923 sheeting 86 cm × 36.6 m, Bombay (on the basis of Rs.0.68 = index 163.5, which is equivalent to Rs.3.14 of the preceeding series); since January 1965, grey long cloth, Century Mills. S. No. 304, 132 cms. × 110 m (L.M.) *Bombay*, Japan — Export prices f.o.b., heavy shirting, s/2003, grey 38".

JUTE MANUFACTURES: *India* — Export prices of bags, B. Twills 1021 gr — 111.8 × 67.3 cm — 6" × 8", f.a.s. Calcutta. India — Domestic/export prices of hessian cloth, 10½ oz., 40" Calcutta.

TIN: *Indonesia* — Unit value of exports of tin and tin ore. *Singapore* — Prices ex-works. *Thailand* — Unit value of exports of tin ore and tin-in-concentrates. Annual figures relate to whole kingdom, monthly and quarterly figures relate to Port of Bangkok only.

a. Average of less than 12 months.

b. Beginning 1963, Rs. per piece.

c. 12 months beginning July of the year stated.

## 30. WAGES

*Base for index numbers, 1958=100*[a]

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| **CEYLON** | | | | | | | | | | | | | |
| Index of wages | | | | | | | | | | | | | |
| Tea and rubber estate workers[b] | 100 | 101 | 102 | 105 | 105 | 105 | 105 | 105 | 105 | 105 | 109 | 111 | 111 |
| Government workers (Colombo)[c] | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 118 | 118 |
| **CHINA (Taiwan)** | | | | | | | | | | | | | |
| Index of earnings[d] | | | | | | | | | | | | | |
| Mining . . . . . . . . . | 123 | 132 | 136 | 145 | 163 | ... | ... | ... | ... | ... | ... | ... | ... |
| Manufacturing . . . . . . | 153 | 161 | 167 | 171 | 185 | ... | ... | ... | ... | ... | ... | ... | ... |
| **INDIA** | | | | | | | | | | | | | |
| Wages or earnings *(rupees)* | | | | | | | | | | | | | |
| Cotton mills[e] (Bombay, *monthly*) | 131.8 | 135.8 | 136.1 | 154.8 | 167.1 | 188.6 | 192.1 | 195.0 | 199.6 | 205.1 | 212.6 | 209.0 | 213.8 |
| Coal mines[f] (Jharia, *weekly*) . | 23.5 | 23.8 | 25.9 | 26.1 | 29.4 | 31.0 | 31.5 | 32.3 | 32.4 | 34.2 | 34.6 | 35.8 | 42.6 |
| **KOREA, Republic of** | | | | | | | | | | | | | |
| Wages[g] *(won)* | | | | | | | | | | | | | |
| Mining . . . . . . . . . | 4,400 | 4,860 | 5,320 | 6,220 | 7,690 | 8,920 | 8,917 | 9,577 | 9,813 | 10,883 | 12,210 | 12,130 | 14,310 |
| Manufacturing . . . . . . | 2,840 | 2,990 | 3,310 | 4,020 | 4,700 | 5,480 | 5,593 | 5,910 | 6,170 | 6,543 | 6,867 | 7,180 | 7,190 |
| **MALAYSIA: West** | | | | | | | | | | | | | |
| Earnings *(Malaysian dollar)* | | | | | | | | | | | | | |
| Rubber tappers *(monthly)*[h] . | 86 | 86 | 85 | 91 | 88 | ... | ... | ... | ... | ... | ... | ... | ... |
| **PHILIPPINES** | | | | | | | | | | | | | |
| Index of wages[i] *(Manila and suburbs)* | | | | | | | | | | | | | |
| Skilled . . . . . . . . . | 101 | 103 | 106 | 107 | 111 | 116 | 116 | 118 | 118 | 120 | ... | ... | ... |
| Unskilled . . . . . . . . . | 103 | 106 | 112 | 113 | 121 | 130 | 131 | 132 | 132 | 134 | ... | ... | ... |
| **VIET-NAM, Republic of** | | | | | | | | | | | | | |
| Earnings[j] (Saigon-Cholon, *piastre*) | | | | | | | | | | | | | |
| Skilled males . . . . . . . | 102.8 | 109.2 | 111.9 | 120.2 | 153.4 | 250.6 | ... | ... | ... | ... | ... | ... | ... |
| Unskilled males . . . . . . | 73.2 | 77.9 | 79.0 | 84.3 | 105.0 | 178.0 | ... | ... | ... | ... | ... | ... | ... |
| **AUSTRALIA** | | | | | | | | | | | | | |
| Index of wages[k] | | | | | | | | | | | | | |
| Adult males *(minimum weekly)* | 113 | 114 | 116 | 123 | 126 | 130 | 133 | 133 | 135 | 136 | ... | ... | ... |
| **JAPAN** | | | | | | | | | | | | | |
| Index of earnings[m] | | | | | | | | | | | | | |
| Mining . . . . . . . . . | 120 | ‖128 | 138 | 158 | 175 | 196 | 216 | 236 | ‖168 | 188 | 234 | 185 | 190 |
| Manufacturing . . . . . . | 129 | ‖141 | 156 | 173 | 188 | 211 | 224 | 267 | ‖180 | 217 | 253 | 198 | 206 |
| Daily money wages of agricultural labour, male *(yen)* . . . . | 439 | 552 | 653 | 749 | 845 | 913 | 926 | 963 | 920 | 995 | 1,033 | 1,071 | 1,113 |
| **NEW ZEALAND** | | | | | | | | | | | | | |
| Index of wages[n] | | | | | | | | | | | | | |
| Adult males *(All industries)* . | 109 | 111 | 114 | 118 | 125 | 128 | 129 | 133 | 134 | 134 | 135 | 136 | 136 |

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a. Original base for index numbers: *Ceylon*, 1939; *China* (*Taiwan*), June 1949; *Philippines*, 1955; *Australia*, 1954; *Japan*, 1960 for 1961—1966; 1965 since 1967; New Zealand,1954.

b. Daily rates of minimum wages (basic wages plus special allowance).

c. Monthly wage rates for unskilled male workers in government employment.

d. Daily average of wages and allowances including payment in kind.

e. Monthly minimum basic wages plus dearness allowance.

f. Average weekly earnings (basic wages plus dearness allowance and other payments) of underground miners and loaders in coal mines.

g. Total monthly average earnings of production workers based on the payroll reports collected from representative sample establishments throughout the country engaged in mining and manufacturing (excluding tobacco and salt manufacturing).

h. Monthly at July.

i. Daily average wage rates of all classes of workers.

j. Daily average earnings (basic wages plus allocations in kinds and annual bonus) of workers in industrial plants. Figures relate to last day of the period.

k. 31 Dec 1958 = 100. End of period.

m. Average monthly cash earnings per regular worker.

n. Nominal weekly wage rates. As at the end of the period for quarterly figures.

## 31. INDEX NUMBERS OF COST OF LIVING

*1958 = 100*[a]

### *A. All items*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| BURMA: Rangoon | 103 | 101 | 99 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| CAMBODIA: Phnom-Penh | 120 | 123 | 130 | 133 | 138 | 137 | 136 | 137 | 136 | 138 | 134 | 138 | 139 |
| CEYLON: Colombo | 100 | 101 | 104 | 107 | 107 | 107 | 106 | 107 | 108 | 108 | 109 | 110 | 111 |
| CHINA (Taiwan) | 141 | 145 | 148 | 147 | 147 | 150 | 152 | 153 | 154 | 153 | 157 | 157 | 157 |
| HONG KONG | 105 | 103 | 105 | 109 | 109 | 113 | 116 | 114 | [b]‖108 | 108 | 117 | 112 | 111 |
| INDIA[c] *(interim index)* | 109 | 112 | 116 | 131 | 143 | 159 | 164 | 168 | 171 | 178 | 184 | 187 | 186 |
| INDONESIA: Djakarta[d] | 380[e] | 976[e] | 2,226[e] | 5,234[e] | 36,347[e] | ‖ 76 | 87 | 127 | 166 | 183 | 204 | 238 | 287 |
| IRAN | 126 | 127 | 127 | 132 | 135 | 134 | 132 | 134 | 139 | 143 | 133 | 133 | 133 |
| KOREA: Seoul[g] | 108 | 115 | 139 | 180 | 204 | 230 | 236 | 241 | ‖119 | 123 | 125 | 129 | 131 |
| LAOS: Vientiane | 104 | [h]‖134 | 256 | 507 | 571 | 650 | 675 | 669 | 660 | 690 | ... | ... | ... |
| MALAYSIA: West *(all races)* [i] | 100 | 100 | 103 | 102 | 102 | 104 | 103 | 104 | 106 | 107 | 109 | ... | ... |
| PAKISTAN:[c] Karachi | 105 | 104 | 105 | 110 | 115 | 126 | 128 | 130 | 135 | 132 | 135 | 132 | 132 |
| Narayanganj | 106 | 111 | 113 | 116 | 118 | 124 | 130 | 134 | 133 | 133 | 134 | 134 | 133 |
| PHILIPPINES: Manila | 105 | 111 | 117 | 127 | 133 | 137 | 140 | 143 | 145 | 140 | 146 | 151 | ... |
| SINGAPORE[j] | 100 | 101 | 103 | 105 | 105 | 107 | 107 | 107 | 110 | 109 | 111 | 112 | 112 |
| THAILAND: Bangkok-Thonburi[k] | 98 | 100 | 101 | 103 | 104 | 108 | 108 | 110 | 111 | 111 | 112 | 114 | 114 |
| VIET-NAM: Saigon | 108 | 111 | 119 | 123 | 142 | 231 | 262 | 271 | 301 | 313 | 352 | 359 | 363 |
| AUSTRALIA | 108 | 108 | 109 | 111 | 116 | 119 | 119 | 120 | 121 | 122 | 124 | ... | ... |
| JAPAN | 110 | 118 | 127 | 132 | 142 | 105[m] | 150 | [m]‖106 | 108 | 108 | 109 | 112 | 112 |
| NEW ZEALAND | 106 | 109 | 111 | 115 | 119 | 123 | 123 | 123 | 127 | 130 | 131 | ... | ... |

### *B. Food*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| BURMA: Rangoon | 107 | 104 | 101 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| CAMBODIA: Phnom-Penh | 111 | 117 | 122 | 120 | 118 | 118 | 115 | 118 | 115 | 115 | 109 | 114 | 115 |
| CEYLON: Colombo | 94 | 95 | 97 | 101 | 102 | 103 | 102 | 103 | 104 | 105 | 106 | 107 | ... |
| CHINA (Taiwan) | 143 | 139 | 142 | 146 | 149 | 156 | 159 | 161 | 161 | 161 | 164 | 164 | 164 |
| HONG KONG | 107 | 104 | 107 | 111 | 111 | 116 | 120 | 118 | [b]‖113 | 114 | 131 | 121 | 119 |
| INDIA *(interim index)* | 107 | 110 | 114 | 131 | 146 | 161 | 167 | 171 | 176 | 185 | 194 | 195 | 198 |
| INDONESIA: Djakarta[d] | ... | ... | 2,314[e] | 2,599[f] | 41,404[e] | ‖ 81 | 90 | 131 | 174 | 192 | 223 | 272 | 339 |
| IRAN | 133 | 135 | 136 | 144 | 149 | 147 | 142 | 145 | 156 | 156 | 145 | 142 | 144 |
| KOREA: Seoul[g] | 109 | 118 | 156 | 213 | 231 | 251 | 263 | 261 | ‖112 | 116 | 116 | 120 | 120 |
| LAOS: Vientiane | 104 | [h]‖145 | 325 | 595 | 641 | 757 | 801 | 778 | 753 | 795 | ... | ... | ... |
| MALAYSIA: West *(all races)*[i] | 99 | 100 | 104 | 104 | 103 | 104 | 104 | 105 | 107 | 109 | 111 | ... | ... |
| PAKISTAN: Karachi | 107 | 106 | 108 | 114 | 119 | 130 | 132 | 134 | 140 | 135 | 139 | 135 | 135 |
| Narayanganj | 104 | 110 | 111 | 116 | 119 | 124 | 132 | 136 | 135 | 134 | 136 | 136 | 134 |
| PHILIPPINES: Manila | 105 | 113 | 124 | 140 | 142 | 156 | 159 | 166 | 167 | 156 | 168 | 177 | ... |
| SINGAPORE[j] | 100 | 101 | 105 | 106 | 105 | 109 | 109 | 109 | 113 | 111 | 116 | 116 | 118 |
| THAILAND: Bangkok-Thonburi[k] | 97 | 100 | 100 | 104 | 105 | 112 | 112 | 115 | 118 | 118 | 120 | 124 | 123 |
| VIET-NAM: Saigon | 107 | 109 | 119 | 124 | 154 | 283 | 330 | 330 | 384 | 401 | 469 | 478 | 484 |
| AUSTRALIA | 112 | 109 | 109 | 113 | 120 | 123 | 123 | 123 | 124 | 126 | 130 | ... | ... |
| JAPAN | 111 | 120 | 131 | 134 | 148 | 104[m] | 154 | [m]‖104 | 109 | 107 | 107 | 113 | 113 |
| NEW ZEALAND | 103 | 104 | 106 | 112 | 115 | 117 | 117 | 116 | 123 | 126 | 127 | 126 | 125 |

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*GENERAL NOTES:* Figures generally refer to working class expenditures except for the following countries: *Burma*, low and middle income group of households; *China (Taiwan)*, major city consumers' prices; *Hong Kong*, clerical and technical works; *Iran*, salaried employees, artisans and tradesmen; *Japan*, urban population; *Republic of Korea*, salaried workers and wage earners; *Laos*, middle class; *Singapore*, low income clerks and labourers; *Thailand* all families except those with very low or very high income.

a. Original base: Cambodia, 1949; Ceylon, 1952: China (Taiwan), 1956, Hong Kong, Mar 1947; India, 1944; Iran, 21 Mar 1936 — 20 Mar 1937; Laos, 1948; Pakistan, Apr 1948/Mar 1949; Philippines, 1955; Republic of Viet-Nam, 194[illegible]; Australia, July 1952 — June 1953; Japan, 1960; New Zealand, 1955.

b. Beginning 1967, base September 1963 — August 1964 = 100.

c. Excluding house rent

d. Base March 1957 — February 1958 = 100, beginning 1966, base September 1966 = 100.

e. Figures relate to December.

f. Figure relates to January.

g. Base 1960 = 100. beginning 1967, base 1965 = 100.

h. Beginning 1962, base 1959 = 100.

i. 1959 = 100.

j. Base Apr/May 1960 = 100.

k. Base 1962 = 100.

m. Since October 1966, 1965 = 100 and "National Index" represents the average index figure of 170 sample cities, towns and villages. "Cities with Population of 50,000 or more" corresponds to "All Cities" (28 sample cities). in the old index.

## 32. CURRENCY AND BANKING

*End of period*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| **AFGHANISTAN*** *(million afghanis)* | | | | | | | | | | | | | |
| Money supply | 2,920 | 3,689 | 4,537 | 5,301 | 5,338 | 5,194 | 5,255 | 5,391 | 5,194 | 5,200 | 5,116 | 5,144 | 5,155 |
| Currency: outside banks | 2,607 | 3,158 | 3,884 | 4,722 | 4,644 | 4,624 | 4,707 | 4,722 | 4,624 | 4,578 | 4,545 | 4,568 | 4,582 |
| Deposit money | 313 | 530 | 653 | 579 | 694 | 570 | 548 | 669 | 570 | 622 | 571 | 576 | 573 |
| Foreign assets *(net)* | 705 | 868 | 2,044 | 1,801 | 1,347 | 1,643 | 2,068 | 1,641 | 1,643 | 1,686 | 1,507 | 1,523 | 1,495 |
| Bank of Afghanistan | 687 | 830 | 1,970 | 1,699 | 1,823 | 1,532 | 1,955 | 1,515 | 1,532 | 1,568 | 1,386 | 1,387 | 1,345 |
| Commercial banks | 18 | 37 | 74 | 102 | 93 | 111 | 113 | 126 | 111 | 118 | 121 | 136 | 150 |
| Exchange rate | | | | | | | | | | | | | |
| Official rate | 20.00–28.00 | 20.00–28.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 | 45.00 |
| Free rate | 47.15 | 50.18 | 50.61 | 65.75 | 73.85 | 76.77 | 75.29 | 74.15 | 76.77 | 77.25 | 74.84 | 73.25 | 72.90 |
| **BURMA** *(million kyats)* | | | | | | | | | | | | | |
| Money supply | 1,485 | 1,661 | 2,372 | 2,208 | 2,064 | 2,221 | 2,415 | 2,221 | 2,400 | 2,327 | 2,405 | 2,325 | 2,298 |
| Currency: outside banks | 1,038 | 1,173 | 1,940 | 1,843 | 1,700 | 1,645 | 1,829 | 1,645 | 1,814 | 1,721 | 1,789 | 1,721 | 1,702 |
| Deposit money | 447 | 488 | 432 | 365 | 364 | 576 | 586 | 576 | 586 | 606 | 616 | 604 | 596 |
| Foreign assets | 601 | 846 | 987 | 1,001 | 921 | 943 | 936 | 943 | 862 | 885 | 861 | 847 | 818 |
| Union Bank of Burma | 541 | 763 | 857 | 960 | 853 | 873 | 870 | 873 | 819 | 799 | 774 | 767 | 768 |
| Commercial banks | 60 | 83 | 130 | 41 | 68 | 70 | 66 | 70 | 43 | 86 | 87 | 80 | 86 |
| Yield of long term gov't bonds[a] Δ | 3.00 | 3.00 | 3.00 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Exchange rate | 4.770 | 4.780 | 4.790 | 4.802 | 4.782 | 4.805 | 4.795 | 4.805 | 4.792 | 4.808 | 4.808 | 4.800 | 4.800 |
| **CAMBODIA** *(million riels)* | | | | | | | | | | | | | |
| Money supply | | | | | | | | | | | | | |
| Currency in circulation | 2,386 | 2,781 | 3,702 | 4,268 | 4,285 | 4,838 | 4,637 | 4,838 | 5,648 | 5,687 | 5,763 | 5,695 | ... |
| Demand deposits in commercial banks | 1,472 | 1,923 | 1,166 | 712 | 1,133 | 1,399 | 1,200 | 1,399 | 1,639 | 1,629 | 1,648 | 1,785 | ... |
| Foreign assets | 3,906 | 3,656 | 3,438 | 3,814 | 4,200 | 4,196 | 4,126 | 4,196 | 4,054 | 4,089 | 4,291 | 4,457 | ... |
| Banque Nationale du Cambodge | 3,758 | 3,395 | 3,277 | 3,200 | 3,866 | 3,783 | 3,632 | 3,783 | 3,572 | 3,590 | 3,695 | 3,817 | 3,692 |
| Commercial banks | 148 | 261 | 161 | 614 | 534 | 414 | 494 | 414 | 482 | 500 | 596 | 640 | ... |
| Exchange rate: official | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 |
| **CEYLON** *(million rupees)* | | | | | | | | | | | | | |
| Money supply | 1,275 | 1,333 | 1,494 | 1,610 | 1,703 | 1,645 | 1,668 | 1,645 | 1,803 | 1,714 | 1,682 | 1,746 | 1,772 |
| Currency: outside banks | 692 | 713 | 828 | 853 | 901 | 882 | 876 | 882 | 953 | 909 | 925 | 947 | 953 |
| Deposit money | 583 | 620 | 666 | 757 | 803 | 763 | 792 | 763 | 850 | 805 | 757 | 799 | 819 |
| Foreign assets *(net)*[b] | 248 | 163 | 110 | 127 | 220 | − 14 | 24 | − 14 | − 58 | −101 | −105 | − 92 | −182 |
| Central Bank of Ceylon | 185 | 152 | 114 | 136 | 282 | 143 | 156 | 143 | 175 | 161 | 189 | 216 | 222 |
| Commercial banks | 105 | 102 | 105 | 107 | 92 | 112 | 122 | 112 | 128 | 127 | 111 | 100 | 103 |
| Yield of long term gov't bonds[c] Δ | 3.47 | 3.99 | 4.52 | 4.53 | 4.45 | 4.40 | 4.41 | 4.39 | 4.38 | 4.37 | 4.33 | ... | ... |
| Exchange rate *(selling)* | 4.770 | 4.768 | 4.775 | 4.788 | 4.788 | 4.788 | 4.788 | 4.788 | 4.788 | 4.788 | 4.788 | 4.788 | 5.940 |
| **CHINA (Taiwan)** *(billion new Taiwan dollars)* | | | | | | | | | | | | | |
| Money supply | 7.34 | 7.92 | 10.20 | 13.43 | 14.84 | 17.39 | 15.90 | 17.39 | 17.29 | 18.76 | 19.17 | 19.63 | 20.56 |
| Currency: outside banks | 3.08 | 3.40 | 4.13 | 5.20 | 5.78 | 6.58 | 6.14 | 6.58 | 6.56 | 7.18 | 7.26 | 7.32 | 7.43 |
| Deposit money | 4.26 | 4.52 | 6.07 | 8.22 | 9.06 | 10.81 | 9.76 | 10.81 | 10.73 | 11.58 | 11.91 | 12.31 | 13.13 |
| Foreign assets *(net)* | 5.12 | 4.40 | 8.60 | 11.22 | 10.56 | 13.35 | 13.47 | 13.35 | 14.30 | 15.99 | 16.51 | 16.12 | 16.21 |
| Central Bank of China | 3.27 | 3.29 | 5.32 | 9.44 | 9.76 | 10.64 | 10.21 | 10.64 | 11.40 | 12.40 | 11.93 | 11.98 | 11.67 |
| Other banks | 1.86 | 1.11 | 3.29 | 1.79 | 0.80 | 2.71 | 3.26 | 2.71 | 2.91 | 3.59 | 4.58 | 4.55 | 4.55 |
| Exchange rate *(selling)* | 40.03 | 40.03 | 40.10 | 40.10 | 40.10 | 40.10 | 40.10 | 40.10 | 40.10 | 40.10 | 40.10 | 40.10 | 40.10 |
| **HONG KONG** *(million HK dollars)* | | | | | | | | | | | | | |
| Money supply | ... | 2,706 | 3,137 | 3,533 | 4,161 | 4,412 | 4,388 | 4,412 | 4,536 | 5,097 | 5,005 | 4,977 | 4,912 |
| Currency notes: in circulation | 953 | 1,042 | 1,140 | 1,296 | 1,629 | 1,730 | 1,691 | 1,730 | 1,784 | 2,400 | 2,351 | 2,252 | 2,175 |
| Deposit money | ... | 1,664 | 1,997 | 2,237 | 2,532 | 2,681 | 2,697 | 2,681 | 2,752 | 2,696 | 2,653 | 2,724 | 2,737 |
| **INDIA** *(billion rupees)* | | | | | | | | | | | | | |
| Money supply | 28.34 | 31.14 | 35.41 | 39.06 | 43.00 | 46.81 | 44.59 | 46.81 | 49.50 | 49.65[r] | 48.62 | 49.00 | 49.48 |
| Currency: outside banks | 20.60 | 22.46 | 24.76 | 26.61 | 28.65 | 30.08 | 28.65 | 30.08 | 31.97 | 32.14 | 30.74 | 31.02 | 31.36 |
| Deposit money | 7.74 | 8.68 | 10.65 | 12.45 | 14.35 | 16.73 | 15.94 | 16.73 | 17.59 | 17.51 | 17.88 | 17.98 | 18.12 |
| Foreign assets *(net)* | 1.78 | 1.11 | 1.29 | 1.40 | .82 | .49 | .46 | .49 | .83 | .54 | .22 | .31 | .19 |
| Yield of long term gov't bonds[d] Δ | 4.12 | 4.36 | 4.68 | 4.74 | 5.33 | 5.54 | 5.58 | 5.58 | 5.57 | 5.58 | 5.47 | 5.44 | 5.45 |
| Exchange rate | 4.765 | 4.775 | 4.785 | 4.795 | 4.775 | 7.576 | 7.576 | 7.576 | 7.559 | 7.576 | 7.576 | 7.576 | 7.508 |
| **INDONESIA** *(million new rupiahs)* | | | | | | | | | | | | | |
| Money supply | 68 | 136 | 263 | 676 | 2,582 | 21,024 | 14,473 | 21,024 | 26,086 | 32,066 | ... | ... | ... |
| Currency: net active | 49 | 103 | 175 | 450 | *1,962* | *15,768* | *12,013* | *15,768* | *19,565* | *24,050* | ... | ... | ... |
| Deposit money | 19 | 33 | 88 | 226 | 620 | 5,256 | 2,460 | 5,256 | 6,521 | 8,017 | ... | ... | ... |
| Foreign assets *(net)*[e] | 12 | 5 | −15 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Bank Indonesia | 5 | 4 | − 3 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Other banks | 7 | 1 | 4 | ... | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Government bond yield Δ | 4.89 | 4.30 | 4.08 | 4.56 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| Exchange rate | | | | | | | | | | | | | |
| Principal export rate | 45.0 | 45.0–173.1 | 315.0–349.0 | 720–995 | 10 | 47.50–77.50 | ... | ... | ... | ... | ... | ... | ... |
| Principal import rate | 45.0–72.0 | 45.0–270.0 | 315.0–540.0 | 2,850–332.5 | 10–20 | 85–105 | ... | ... | ... | ... | ... | ... | ... |
| Other import rate | 200.0 | 900.0–1,170.0 | 1,730 | ... | 42.50 | 122 | ... | ... | ... | ... | ... | ... | ... |
| **IRAN** *(billion rials, 20th of last month of period)* | | | | | | | | | | | | | |
| Money supply | 38.68 | 41.51 | 45.15 | 50.56 | 56.95 | 62.19 | 62.28 | 62.19 | 67.33 | 65.77 | 68.24 | 69.40 | 70.63 |
| Currency: outside banks | 15.71 | 16.88 | 19.40 | 21.48 | 23.39 | 24.36 | 23.75 | 24.36 | 27.34 | 25.44 | 25.67 | 26.64 | 26.72 |
| Deposit money | 22.97 | 24.63 | 25.75 | 29.08 | 33.56 | 38.83 | 38.53 | 38.83 | 39.99 | 40.33 | 42.57 | 42.70 | 43.91 |
| Foreign assets *(net)* | 14.35 | 17.37 | 19.19 | 15.65 | 21.53 | 19.94 | 21.12 | 19.94 | 19.54 | 21.19 | 18.69 | 19.08 | 19.77 |
| Central Bank | 11.41 | 15.24 | 17.60 | 13.79 | 18.39 | 19.55 | 20.54 | 19.55 | 18.53 | 21.43 | 19.21 | 19.92 | 20.84 |
| Commercial banks | 2.94 | 2.12 | 1.60 | 1.86 | 3.14 | 0.39 | 0.58 | 0.39 | 1.01 | −0.24 | − .52 | − .85 | −1.06 |
| Exchange rate | 75.75 | 75.75 | 75.75 | 75.75 | 75.75 | 75.75 | 75.75 | 75.75 | 75.75 | 75.75 | 75.75 | 75.75 | 75.75 |

## 32. CURRENCY AND BANKING *(Cont'd)*

*End of period*

| | 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1966 | | 1967 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | III | IV | I | II | III | Oct | Nov |
| KOREA, Republic of *(billion won)* | | | | | | | | | | | | | |
| Money supply | 32.53 | 35.11 | 37.57 | 43.38 | 57.53 | 70.16 | 65.88 | 70.16 | 73.82 | 77.61 | 79.02 | 81.87 | 85.12 |
| Currency: outside banks | 16.67 | 18.03 | 18.28 | 24.94 | 31.63 | 42.90 | 41.14 | 42.90 | 42.78 | 46.46 | 52.04 | 51.85 | 57.46 |
| Deposit money | 15.86 | 17.08 | 19.29 | 18.44 | 25.90 | 27.26 | 24.74 | 27.26 | 31.04 | 31.15 | 26.98 | 30.02 | 27.66 |
| Foreign assets, Bank of Korea *(net)* | 18.85 | 11.69 | 5.22 | 17.32 | 23.50 | 57.08 | 44.91 | 57.08 | 56.00 | 65.74 | 69.80 | 72.54 | 85.60 |
| Exchange rate *(official)*[f] | 1,300\|\| | 130 | 130 | 255 | 271 | 270 | 270 | 270 | 268 | 268 | 268 | 268 | 268 |
| MALAYSIA *(million Malaysian dollars)* | | | | | | | | | | | | | |
| Money supply | 1,304[r] | 1,376[r] | 1,471 | 1,564 | 1,674 | 1,830 | 1,731 | 1,830 | 1,597[r] | 1,583[r] | 1,558[r] | 1,583 | 1,499 |
| Currency: outside banks | 800 | 843 | 883 | 950 | 1,019 | 1,096 | 1,096 | 1,096 | 896 | 871 | 871 | 881 | 791 |
| Deposit money | 504 | 533 | 588 | 614 | 653 | 734 | 662 | 734 | 701 | 712 | 686 | 702 | 708 |
| Foreign assets *(net)* | 1,409 | 1,484 | 1,480 | 1,558 | 1,796 | 1,853 | 1,759 | 1,853 | 1,690 | 1,600 | 1,627 | 1,622 | 1,432 |
| Central Bank | 1,151 | 1,249 | 1,304 | 1,382 | 1,517 | 1,606 | 1,569 | 1,606 | 1,507 | 1,508 | 1,503 | 1,526 | 1,391 |
| Commeercial banks | 258 | 235 | 177 | 176 | 279 | 246 | 189 | 246 | 184 | 92 | 124 | 96 | 40 |
| Exchange rate | 3.05 | 3.06 | 3.06 | 3.07 | 3.06 | 3.08 | 3.08 | 3.08 | 3.08 | 3.09 | 3.09 | 3.09 | 3.09 |
| PAKISTAN *(million rupees)* | | | | | | | | | | | | | |
| Money supply | 5,842 | 6,133 | 6,940 | 8,246 | 9,012 | 10,493 | 9,564 | 10,493 | 10,313 | 9,952 | 9,381 | 9,500 | 9,725 |
| Currency: outside banks | 4,024 | 4,077 | 4,479 | 5,025 | 5,498 | 6,098 | 5,814 | 6,098 | 6,182 | 5,562 | 5,386 | 5,487 | 5,598 |
| Deposit money | 1,818 | 2,056 | 2,461 | 3,221 | 3,514 | 4,395 | 3,750 | 4,395 | 4,130 | 4,390 | 3,995 | 4,013 | 4,127 |
| Foreign assets *(net)*[g] | 1,799 | 1,789 | 1,988 | 1,730 | 1,437 | 1,200 | 1,239 | 1,200 | 1,148 | 956 | 944 | 903 | 916 |
| State Bank | 1,806 | 1,819 | 1,952 | 1,651 | 1,542 | 1,277 | 1,395 | 1,277 | 1,178 | 1,165 | 1,141 | 1,147 | 1,128 |
| Commercial banks *(net)* | 21 | – 10 | 56 | 97 | 95 | 124 | 44 | 124 | 165 | – 21 | – 12 | – 59 | – 26 |
| Yield of long-term gov't bonds[h] △ | 3.69 | 3.80 | 3.93 | 3.90 | 4.20 | 4.48 | 4.48 | 4.48 | 4.47 | 4.47 | 4.47 | 4.47 | 4.47 |
| Exchange rate *(selling)* | 4.775 | 4.782 | 4.792 | 4.805 | 4.782 | 4.805 | 4.802 | 4.805 | 4.792 | 4.805 | 4.805 | 4.805 | 4.750 |
| PHILIPPINES *(million pesos)* | | | | | | | | | | | | | |
| Money supply | 1,940 | 2,227 | 2,553 | 2,493 | 2,688 | 2,897 | 2,669 | 2,897 | 2,925 | 2,916 | 2,933 | 3,014 | 3,078 |
| Currency: outside banks | 1,050 | 1,173 | 1,363 | 1,325 | 1,483 | 1,543 | 1,420 | 1,543 | 1,510 | 1,532 | 1,566 | 1,605 | 1,643 |
| Deposit money | 890 | 1,654 | 1,190 | 1,168 | 1,205 | 1,354 | 1,249 | 1,354 | 1,415 | 1,384 | 1,367 | 1,409 | 1,435 |
| Foreign assets *(net)* | 179 | 292 | 253 | –270 | –162 | 65 | 107 | 6 | – 55 | –163 | 73 | – 49 | – 94 |
| Central Bank | 53 | 58 | 62 | –160\|\| | –204 | –203 | –191 | –263 | –366 | –496 | –263 | –356 | –374 |
| Other banks | 133 | 234 | 191 | –110 | 41 | 268 | 298 | 268 | 310 | 333 | 336 | 307 | 281 |
| Exchange rate: *(selling)* | 2.015–<br>3.450 | 3.91 | 3.91 | 3.91 | 3.92 | 3.91 | 3.90 | 3.91 | 3.92 | 3.92 | 3.92 | 3.92 | 3.92 |
| THAILAND *(billion baht)* | | | | | | | | | | | | | |
| Money supply | 11.08 | 11.09 | 11.88 | 12.92 | 14.33 | 16.65 | 15.43 | 16.65 | 17.80 | 16.63 | 17.10 | 17.14 | 17.28 |
| Currency: outside banks | 6.51 | 6.57 | 6.70 | 7.30 | 8.18 | 9.44 | 8.58 | 9.44 | 10.45 | 9.40 | 9.62 | 9.33 | 9.44 |
| Deposit money | 4.56 | 4.52 | 5.17 | 5.62 | 6.15 | 7.22 | 6.85 | 7.22 | 7.35 | 7.23 | 7.48 | 7.81 | 7.84 |
| Foreign assets *(net)* | 8.66 | 9.89 | 11.24 | 12.68 | 14.39 | 17.69 | 17.54 | 17.69 | 18.74 | 18.99 | 19.41 | 19.17 | 18.76 |
| Bank of Thailand | 9.09 | 10.47 | 11.98 | 13.74 | 15.38 | 19.22 | 18.87 | 19.22 | 20.57 | 21.20 | 21.69 | 21.37 | 20.97 |
| Commercial banks | –0.43 | –0.58 | –0.74 | –1.06 | –0.99 | –1.53 | –1.33 | –1.53 | –1.83 | –2.20 | –2.28 | –2.20 | –2.22 |
| Government bond yield △ | 8.00 | 8.00 | 8.00 | 8.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| Exchange rate *(selling)* | 20.99 | 20.84 | 20.84 | 20.83 | 20.83 | 20.75 | 20.75 | 20.75 | 20.75 | 20.75 | 20.75 | 20.75 | 20.75 |
| VIET-NAM, Republic of *(billion piastres)* | | | | | | | | | | | | | |
| Money supply | 17.22 | 19.47 | 22.30 | 27.43 | 47.60 | 65.45 | 63.13 | 65.45 | 69.98 | 72.67 | 76.27 | 79.07 | 82.57 |
| Currency: outside banks | 12.21 | 13.15 | 15.54 | 19.00 | 32.84 | 46.03 | 42.79 | 46.03 | 49.96 | 52.14 | 56.69 | 58.54 | 60.64 |
| Deposit money | 5.01 | 6.32 | 6.76 | 8.43 | 14.76 | 19.42 | 20.34 | 19.42 | 20.02 | 20.53 | 19.58 | 20.53 | 21.93 |
| Foreign assets *(net)* | 5.40 | 4.71 | 6.36 | 4.04 | 7.95 | 23.72 | 24.07 | 23.72 | 24.38 | 25.27 | 19.68 | 20.56 | 20.75 |
| Exchange rate | | | | | | | | | | | | | |
| Trade rate | 35.0 | 60.0 | 60.0 | 60.0 | 60.0 | 118.0 | 118.0 | 118.0 | 118.0 | 118.0 | 118.0 | 118.0 | 118.0 |
| Invisible rate | 73.5 | 73.5 | 73.5 | 73.5 | 73.5 | | | | | | | | |
| AUSTRALIA *(million Australian dollars)* | | | | | | | | | | | | | |
| Money supply | 3,547 | 3,525 | 3,782 | 3,990 | 3,908 | 4,203 | 3,881 | 4,203 | 4,291 | 4,074 | 4,113 | 4,188 | 4,300 |
| Currency: outside banks | 838 | 852 | 848 | 866 | 828 | 909 | 827 | 909 | 875 | 882 | 913 | 916 | 925 |
| Deposit money | 2,709 | 2,673 | 2,934 | 3,124 | 3,080 | 3,294 | 3,054 | 3,294 | 3,416 | 3,192 | 3,200 | 3,272 | 3,375 |
| Foreign assets *(net)* | 1,087 | 1,213 | 1,645 | 1,702 | 1,382 | 1,400 | 1,438 | 1,400 | 1,346 | 1,376 | 1,319 | 1,346 | 1,320 |
| Government bond yield: short △ | 4.99 | 4.28 | 3.81 | 4.12 | 4.85 | 4.92 | 4.97 | 4.74 | 4.50 | 4.52 | 4.52 | 4.51 | 4.75 |
| long | 5.27 | 4.92 | 4.58 | 4.72 | 5.21 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 | 5.25 |
| Exchange rate *(selling)* | .4474 | .4482 | .4493 | .4501 | .4482 | \|\|.9007 | .9001 | .9007 | .8985 | .9001 | .9025 | .9033 | .8897 |
| JAPAN *(billion yen)* | | | | | | | | | | | | | |
| Money supply | 4,909 | 5,725 | 7,702 | 8,704 | 10,287 | 11,716 | 10,375 | 11,716 | 11,377 | 11,485 | 11,648 | 11,647 | 11,981 |
| Currency: outside banks | 1,331 | 1,511 | 1,730 | 1,987 | 2,264 | 2,589 | 1,999 | 2,589 | 2,288 | 2,446 | 2,376 | 2,477 | 2,504 |
| Deposit money | 3,578 | 4,214 | 5,972 | 6,717 | 8,023 | 9,127 | 8,376 | 9,129 | 9,089 | 9,039 | 9,272 | 9,170 | 9,477 |
| Foreign assets *(net)*[r] | 232 | 375 | 272 | 299 | 447 | 570 | 551 | 570 | 464 | 390 | 394 | . . . | . . . |
| Central Bank | 535 | 662 | 676 | 727 | 774 | 762 | 752 | 762 | 764 | 755 | 737 | . . . | . . . |
| Commercial banks | –302 | –288 | –404 | –427 | –325 | –187 | –195 | –187 | –295 | –361 | –339 | . . . | . . . |
| Yield of long term gov't bonds[i] △ | 6.43 | 6.45 | 6.43 | 6.43 | 6.43 | 6.80 | 6.80 | 6.80 | 6.80 | 6.80 | . . . | . . . | . . . |
| Exchange rate | 361.8 | 358.2 | 362.0 | 358.3 | 360.9 | 362.5 | 362.4 | 362.5 | 362.2 | 361.9 | 361.7 | 362.0 | 362.1 |
| NEW ZEALAND *(million New Zealand dollars)* | | | | | | | | | | | | | |
| Money supply | 733 | 730 | 751 | 800 | 784 | 786 | 714 | 786 | 753 | 745 | 711 | 686 | 692 |
| Currency: outside banks | 167 | 162 | 154 | 158 | 161 | 160 | 140 | 160 | 140 | 126 | 126 | 128 | 130 |
| Deposit money | 566 | 568 | 597 | 642 | 623 | 626 | 574 | 626 | 613 | 619 | 585 | 558 | 562 |
| Foreign assets *(net)* | 119 | 147 | 144 | 151 | 103 | 45 | 76 | 45 | 68 | 45 | 42 | 7 | 19 |
| Reserve Bank | 98 | 123 | 103 | 119 | 47 | 22 | 51 | 22 | 27 | 21 | 16 | – 19 | – 7 |
| Trading banks | 21 | 24 | 41 | 32 | 33 | 23 | 26 | 23 | 43 | 24 | 26 | 26 | 26 |
| Government bond yield △ | 5.08 | 5.25 | 5.15 | 5.06 | 5.10 | 5.28 | 5.38 | 5.36 | 5.43 | 5.51 | 5.53 | 5.55 | 5.54 |
| Exchange rate *(selling)* | .3608 | .3615 | .3623 | .3631 | .3615 | .3631 | .3629 | .3630 | .3622 | .3631 | .7280 | .7282 | .8909 |

*General Note:* Exchange rates are shown in unit of national currency per US dollar. The Indonesian new rupiah equivalent to 1,000 old rupiah, was introduced on 14 December 1965. The Australian and New Zealand "dollar" equal to one half of former Australian and New Zealand pound, was established 14 February 1966 and 10 July 1967 respectively.

△ Monthly averages or calendar months. Per cent per annum.

a. 5 year treasury bonds,

b. Deduct foreign liabilities of Central Bank and of Deposit Money Banks.

c. Yield to maturity of the 4½ per cent loan of 1985-1989, H series, before March 1965 the "C" series, and before April 1964 the 3 per cent National Development Loan of 1965-1970.

d. Running yield of 3% consols 1986 to earliest redemption date.

e. Foreign assets and liabilities were revalued in October 1959 and in August 1963 at 45 rupiah and 315 rupiah per US dollar respectively.

f. Prior to 1962, data relating to hwan.

g. Deduct foreign liabilities of State Bank.

h. Yield to maturity of 4½ per cent bond maturing in 1980. From 1963 to August 1965 on the 4 per cent bonds maturing in 1974. Before 1963 the 3 per cent bond of 1968 is quoted.

i. Weight yield (simple rate of interest) to latest redemption date of medium dated government bonds issued during the period stated.

## 33. BALANCE OF PAYMENTS

| | 1964 | 1965 | 1966 | First half | |
|---|---|---|---|---|---|
| | | | | 1966 | 1967 |
| **BURMA** *(million kyats)* | | | | | |
| **Goods and Services** | —183 | —87 | —99 | —82 | —100 |
| Trade Balance cif | —29 | 142 | 72 | 3 | —52 |
| Investment Income | 17 | — | 2 | —1 | 3 |
| Central Gov't., n.i.e. | —76 | —117 | —111 | —56 | —34 |
| Other | —95 | —112 | —62 | —28 | —17 |
| **Transfers: Private** | 3 | 2 | 3 | 2 | 2 |
| Central Gov't | 77 | 35 | 103 | 75 | 18 |
| **Capital n.i.e.:** | | | | | |
| Private | 2 | — | — | — | — |
| Central Government | 45 | —50 | 41 | —95 | 8 |
| **Comm. Banks: Assets** | 90 | —27 | — | 20 | —17 |
| Liabilities | —3 | —5 | 2 | 1 | —3 |
| **Monetary Authorities** | 14 | 128 | —36 | 58 | 73 |
| Union Bank Monetary Gold | —199 | — | — | — | — |
| IMF Accounts | — | — | — | — | — |
| Union Bank Foreign Exchange (Net) | 97 | 127 | —40 | 55 | 74 |
| Government Assets | 116 | 1 | 4 | 3 | —1 |
| **Net Errors and Omissions** | —45 | 4 | —14 | 21 | 19 |
| **CEYLON** *(million rupees)* | | | | | |
| **Goods and Services** | —200 | 18 | —327 | —136 | ... |
| Trade Balance cif | —195 | —15 | —346 | —149 | ... |
| Investment Income | —36 | —16 | —37 | —13 | ... |
| Other | 31 | 49 | 56 | 26 | ... |
| **Transfers: Private** | —36 | —23 | —26 | —11 | ... |
| Central Gov't | 76 | 64 | 63 | 24 | ... |
| **Capital n.i.e.:** | | | | | |
| Private | —7 | —22 | —34 | —16 | ... |
| Central Government | 174 | 104 | 75 | —2 | ... |
| **Comm. Banks: Assets** | —2 | 16 | —21 | —33 | ... |
| Liabilities | — | 8 | 8 | 4 | ... |
| **Monetary Authorities** | 3 | —160 | 253 | 172 | ... |
| IMF Accounts | 2 | 56 | 75 | 37 | ... |
| Other Central Bank Assets | —22 | —143 | 140 | 117 | ... |
| Other Central Bank Liabilities | 8 | 9 | 2 | | |
| Government Payments Agreements | 15 | —82 | 36 | 18 | ... |
| **Net Errors and Omissions** | —8 | —5 | 9 | —2 | ... |
| **CHINA (Taiwan),** *(million US dollars)* | | | | | |
| **Goods and Services** | 9 | —96 | —26 | 4 | —9 |
| Trade Balance cif | 27 | —72 | —42 | —14 | 3 |
| Central Gov't., n.i.e. | 3 | 2 | 32 | 21 | 6 |
| Other | —21 | —26 | —16 | —3 | —18 |
| **Transfers: Private** | 12 | 15 | 18 | 10 | 11 |
| Central Gov't | 8 | 18 | 6 | 6 | 1 |
| **Capital n.i.e.:** | | | | | |
| Private | 33 | 18 | 82 | 39 | 56 |
| Central Government | 15 | 33 | —10 | —12 | — |
| **Comm. Banks: Assets** | 16 | 22 | —47 | —50 | —48 |
| Liabilities | 21 | 3 | —1 | — | 25 |
| **Monetary Authorities** | —103 | —8 | —22 | 5 | —44 |
| Central Bank Assets | —103 | —8 | —22 | 5 | —44 |
| Central Bank Liabilities | — | — | — | — | — |
| Other Assets and Liabilities | — | — | — | — | — |
| **Net Errors and Omissions** | —11 | —5 | — | —2 | 8 |
| **INDIA** *(million US dollars)* | | | | | |
| **Goods and Services** | —1,264 | —1,418 | —1,147 | ... | ... |
| Trade Balance fob/cif | —1,232 | —1,254 | —1,069 | ... | ... |
| Investment Income | —214 | —251 | —254 | ... | ... |
| Central Gov't, n.i.e. | 155 | 86 | 150 | ... | ... |
| Other | 27 | 1 | 26 | ... | ... |
| **Transfers: Private** | 87 | 83 | 178 | ... | ... |
| Central Gov't | 248 | 75 | 127 | ... | ... |
| **Capital n.i.e.:** | | | | | |
| Private | 35 | —7 | 14 | ... | ... |
| Central Government | 1,066 | 1,057 | 837 | ... | ... |
| **Comm. Banks: Assets** | —16 | 17 | —57 | ... | ... |
| Liabilities | 15 | —8 | —11 | ... | ... |
| **Monetary Authorities** | —25 | 103 | 11 | ... | ... |
| Monetary Gold | — | —34 | 38 | | |
| IMF Accounts | —44 | 133 | 75 | ... | ... |
| Other Assets | 18 | —18 | —96 | ... | ... |
| Other Liabilities | 1 | —14 | —6 | ... | ... |
| **Net Errors and Omissions** | —146 | 98 | 48 | ... | ... |

| | 1964 | 1965 | 1966 | First half | |
|---|---|---|---|---|---|
| | | | | 1966 | 1967 |
| INDONESIA *(million US dollars)* | | | | | |
| Goods and Services | —230 | —248 | —134 | ... | —90 |
| Trade Balance fob | 42 | 24 | 62 | ... | 29 |
| Services | —272 | —272 | —196 | ... | —119 |
| Capital and Transfer payment (net) | 128 | 48 | 95 | ... | 104 |
| Official loans and grants | 103 | 30 | 85 | ... | 75 |
| Payment to Shell Oil Co. | ... | ... | —24 | ... | —13 |
| Private non monetary capital | 25 | 18 | —16 | ... | —5 |
| Others | ... | ... | 50 | ... | 47 |
| Monetary movement | 88 | 235 | 41 | ... | 13 |
| IMF position | — | — | — | ... | —8 |
| Suppliers credits and others | 50 | 223 | 30 | ... | 14 |
| Short term assets | 5 | 12 | 11 | ... | 7 |
| Monetary gold | 33 | — | — | ... | — |
| Net Errors and Omissions | 14 | —35 | —2 | ... | —27 |
| IRAN* *(million US dollars)* | | | | | |
| Goods and Services | —30 | —168 | —118 | ... | ... |
| Trade Balance cif: Oil Sector | 845 | 1,034 | 500 | ... | ... |
| Trade Balance cif: Other | —514 | —614 | ... | ... | ... |
| Investment Income | —278 | —430 | —474 | ... | ... |
| Other | —83 | —158 | —144 | ... | ... |
| **Transfers: Private** | 2 | 2 | 1 | ... | ... |
| Central Gov't | 7 | 9 | 6 | ... | ... |
| Capital n.i.e.: | | | | | |
| Private | 168 | 150 | 81 | ... | ... |
| Central Government | —18 | —15 | 105 | ... | ... |
| Comm. Banks: Assets | 9 | —10 | —7 | ... | ... |
| Liabilities | —8 | 1 | —3 | ... | ... |
| Monetary Authorities | —104 | 63 | 32 | ... | ... |
| Monetary Gold | — | 9 | —14 | ... | ... |
| IMF Accounts | 17 | —17 | ... | ... | ... |
| Other Assets | —122 | 70 | 46 | ... | ... |
| Other Liabilities | 1 | 1 | — | ... | ... |
| Net Errors and Omissions | —26 | —32 | —97 | ... | ... |
| KOREA, REPUBLIC OF *(million US dollars)* | | | | | |
| Goods and Services | —221 | —194 | —323 | —143 | —145 |
| Trade Balance fob | —245 | —240 | —429 | —180 | —226 |
| Central Gov't., n.i.e. | 62 | 75 | 123 | 51 | 94 |
| Other | —38 | —29 | —17 | —14 | —12 |
| **Transfers: Private** | 54 | 69 | 98 | 59 | 45 |
| Central Gov't | 141 | 134 | 122 | 43 | 51 |
| Capital n.i.e.: | | | | | |
| Private | 7 | 17 | 184 | 76 | 105 |
| Central Government | 16 | —19 | 37 | 11 | 12 |
| Comm. Banks: Assets | 1 | —4 | —3 | —1 | —81 |
| Liabilities | — | 3 | 2 | — | —2 |
| Monetary Authorities | 2 | —4 | —117 | —47 | 20 |
| IMF Accounts | — | — | —1 | —1 | — |
| Bank of Korea Assets | —2 | —9 | —97 | —22 | 20 |
| Committed Assets | — | — | — | — | — |
| Other liabilities | 4 | 5 | —19 | —24 | — |
| Net Errors and Omissions | — | —2 | 4 | 2 | —5 |
| MALAYSIA *(million Malayan dollars)* | | | | | |
| Goods and Services | —85 | 131 | 116 | ... | ... |
| Trade Balance fob | 272 | 522 | 548 | ... | ... |
| Freight & Merchandise Insurance | —154 | —162 | —165 | ... | ... |
| Investment Income | —252 | —303 | —298 | ... | ... |
| Central Gov't., n.i.e. | 184 | 227 | 185 | ... | .. |
| Other | —135 | —153 | —154 | ... | ... |
| **Transfers: Private** | —201 | —195 | —196 | ... | ... |
| Central Gov't | 213 | 135 | 104 | ... | ... |
| Capital n.i.e.: | | | | | |
| Private | 229 | 225 | 220 | ... | ... |
| Central Government | 79 | 182 | —22 | ... | ... |
| Comm. Banks: Assets | —122 | —16 | —6 | ... | ... |
| Liabilities | 122 | —86 | 39 | ... | ... |
| Monetary Authorities | 113 | —64 | 104 | ... | ... |
| Monetary Gold | 1 | 16 | 4 | ... | ... |
| IMF Accounts | —1 | —20 | —20 | ... | ... |
| Central Gov't Assets | 178 | 82 | 234 | ... | ... |
| State Gov'ts Assets | 16 | —7 | —38 | ... | ... |
| Currency Board | 69 | —101 | —114 | ... | ... |
| Other Central Bank Assets | —43 | —60 | 41 | ... | ... |
| Other Central Bank Liabilities | 31 | 26 | —3 | ... | ... |
| Net Errors and Omissions | —348 | —312 | —359 | ... | ... |

## 33. BALANCE OF PAYMENTS *(Cont'd)*

| | 1964 | 1965 | 1966 | First half | |
|---|---|---|---|---|---|
| | | | | 1966 | 1967 |
| PAKISTAN *(million rupees)* | | | | | |
| Goods and Services | −2,470 | −3,073 | −2,138 | −778 | . . . |
| Trade Balance fob | −1,832 | −2,442 | −1,400 | −454 | . . . |
| Central Gov't., n.i.e. | 59 | 83 | − 95 | − 28 | . . . |
| Other | −697 | −714 | −643 | −296 | . . . |
| Transfers: Private | 123 | 274 | 177 | 87 | . . . |
| Central Gov't | 1,023 | 1,166 | 761 | 294 | . . . |
| Capital n.i.e.: | | | | | |
| Private | 234 | 339 | 196 | 100 | . . . |
| Central Government | 1,270 | 1,348 | 1,002 | 557 | . . . |
| Comm. Banks: Assets | −216 | 146 | 25 | − 42 | . . . |
| Liabilities | − 50 | − 44 | − 47 | — | . . . |
| Monetary Authorities | 274 | 320 | 45 | −229 | . . . |
| Monetary Gold | − 2 | − 1 | — | — | . . . |
| IMF Accounts | — | 255 | — | — | . . . |
| Other Assets (Net) | 276 | 66 | 45 | −229 | . . . |
| Net Errors and Omissions | −188 | −476 | − 21 | 11 | . . . |
| PHILIPPINES *(million US dollars)* | | | | | |
| Goods and Services | − 24 | 38 | 84 | 36 | − 83 |
| Exports—Imports fob | − 38 | − 39 | − 6 | 37 | −106 |
| Nonmonetary Gold | 15 | 15 | 16 | 8 | 8 |
| Investment Income | − 26 | − 31 | − 37 | − 23 | − 35 |
| Central Gov't, n.i.e. | 31 | 60 | 74 | 33 | 41 |
| Other | − 6 | 33 | 37 | − 19 | 9 |
| Transfers: Private | 93 | 73 | 52 | 31 | 49 |
| Central Gov't | 16 | 26 | 44 | 5 | 27 |
| Capital n.i.e.: | | | | | |
| Private | − 75 | −139 | − 29 | − 42 | − 30 |
| Central Government | − 2 | 49 | − 23 | 14 | − 11 |
| Comm. Banks: Assets | 14 | − 17 | − 29 | − 35 | − 2 |
| Liabilities | 25 | 30 | − 53 | − 43 | − 11 |
| Monetary Authorities | 4 | 15 | 29 | − 10 | 60 |
| IMF Accounts | − 6 | − 14 | − 23 | − 7 | — |
| Other Central Bank Assets | − 14 | − 35 | 23 | − 9 | 24 |
| Other Central Bank Liabilities | 20 | 82 | 17 | 6 | 36 |
| Committed Assets | 4 | 12 | 12 | . . . | — |
| Net Errors and Omissions | − 51 | − 75 | − 75 | 44 | 1 |
| THAILAND *(million US dollars)* | | | | | |
| Goods and Services | −59.0 | −53.5 | −17.9 | 52.3 | 35.7 |
| Export—Imports (cif) | −89.1 | −116.7 | −209.1 | −25.3 | −90.8 |
| Nonmonetary Gold | − 5.3 | − 6.2 | − 6.2 | − 2.6 | − 3.4 |
| Central Gov't, n.i.e. | 35.8 | 62.9 | 162.2 | 65.9 | 109.7 |
| Other | − .4 | 6.5 | 35.4 | 14.3 | 20.4 |
| Transfers: Private | 6.2 | 7.0 | 10.4 | 4.8 | 4.9 |
| Central Gov't | 31.0 | 31.2 | 36.8 | 19.0 | 18.1 |
| Capital n.i.e.: | | | | | |
| Private | 67.8 | 54.2 | 52.6 | 22.0 | 39.4 |
| Central Government | 11.3 | 13.1 | 10.1 | 7.6 | 14.6 |
| Comm. Banks: Assets | − 8.8 | −16.7 | −12.0 | 1.6 | 12.8 |
| Liabilities | 24.3 | 14.1 | 38.3 | 9.1 | 19.1 |
| Monetary Authorities | −84.4 | −79.6 | −180.2 | −137.0 | −95.7 |
| IMF Accounts | — | − 7.8 | − 4.8 | − 4.8 | — |
| Other Assets | −84.3 | −71.2 | −179.5 | −132.2 | −95.7 |
| Other Liabilities | − .1 | − .6 | 4.1 | — | — |
| Net Errors and Omissions | 11.6 | 30.2 | 61.9 | 20.6 | −49.1 |
| VIET-NAM, REPUBLIC OF *(million U.S. dollars)* | | | | | |
| Goods and Services | −256.0 | 240.3 | −272.7 | . . . | . . . |
| Trade Balance cif | −276.8 | −316.1 | −628.5 | . . . | . . . |
| Investment Income | − 1.5 | − 7.9 | − .4 | . . . | . . . |
| Central Gov't n.i.e. | − 7.6 | 25.3 | 303.4 | . . . | . . . |
| Other | 29.9 | 58.4 | 52.8 | . . . | . . . |
| Transfers: Private | 18.3 | 17.5 | 11.4 | . . . | . . . |
| Central Gov't | 188.9 | 257.1 | 438.6 | . . . | . . . |
| Capital n.i.e.: | | | | | |
| Private | 0.6 | — | − 2.0 | . . . | . . . |
| Central Government | 10.2 | 3.9 | −41.4 | . . . | . . . |
| Deposit money Banks: | 0.1 | −14.8 | −14.0 | . . . | . . . |
| Assets | − 0.6 | 14.7 | 6.7 | . . . | . . . |
| Liabilities | 38.6 | −36.7 | −128.0 | . . . | . . . |
| Monetary Authorities | — | — | − .3 | . . . | . . . |
| IMF Accounts | | | | | |
| Other Assets | 38.6 | −36.7 | −127.7 | . . . | . . . |
| Net Errors and Omissions | − 0.1 | − 1.4 | 1.4 | . . . | . . . |

| | 1964 | 1965 | 1966 | First half | |
|---|---|---|---|---|---|
| | | | | 1966 | 1967 |
| AUSTRALIA *(million Australian dollars)* | | | | | |
| Goods, Services, and Transfers | −420 | −974 | −625 | −312 | −323 |
| Exports—Imports (fob) | 151 | −324 | 66 | 36 | 64 |
| Nonmonetary Gold | 28 | 25 | 26 | 13 | 11 |
| Transportation & Merchandise Insurance | −186 | −220 | −225 | −113 | −110 |
| Travel | − 60 | − 61 | − 62 | − 41 | − 48 |
| Investment Income | −260 | −250 | −308 | −146 | −162 |
| Central Gov't. n.i.e. | 15 | 9 | 6 | 3 | − 2 |
| Other Services and Transfers | −108 | −153 | −128 | − 64 | − 76 |
| Capital n.i.e.: | | | | | |
| Private | 501 | 589 | 821 | 525 | 231 |
| Central Government | − 26 | 65 | −149 | − 68 | 70 |
| Monetary Authorities and Banks | − 55 | 320 | − 47 | −145 | 22 |
| Monetary Gold | − 16 | − 19 | 21 | 23 | − 5 |
| IMF Accounts | — | − 31 | − 31 | − 31 | − 26 |
| Other Assets (net) | − 39 | 370 | − 37 | −137 | 53 |
| JAPAN *(million U.S. dollars)* | | | | | |
| Goods and Services | −408 | 1,017 | 1,387 | 339 | −234 |
| Trade Balance fob | 375 | 1,901 | 2,273 | 818 | 322 |
| Transportation | −449 | −524 | −609 | −320 | −364 |
| Central Gov't, n.i.e. | 308 | 309 | 442 | 196 | 220 |
| Other Services | −642 | −669 | −719 | −355 | −412 |
| Transfers: Private | 11 | 8 | − 7 | − 7 | − 26 |
| Central Gov't. | − 83 | − 94 | −128 | − 58 | − 87 |
| Capital n.i.e.: | 340 | −476 | −873 | −286 | − 47 |
| Comm. Banks: Assets | −596 | −372 | −113 | 35 | − 96 |
| Liabilities | 663 | 88 | −276 | − 92 | 582 |
| Monetary Authorities | 63 | −120 | 54 | 9 | 4 |
| Monetary Gold | − 15 | − 24 | − 1 | − 1 | − 1 |
| IMF Accounts | − 40 | − 35 | − 66 | − 66 | 59 |
| Foreign Exchange | 94 | − 74 | 100 | 69 | − 38 |
| Other (net) | 24 | 13 | 21 | 7 | − 16 |
| Net Errors and Omissions | 10 | − 51 | − 44 | 60 | − 96 |
| NEW ZEALAND *(million New Zealand dollars)* | | | | | |
| Goods and Services | 1.4 | 92.2 | −83.0 | 6.6 | −38.5 |
| Trade Balance fob | 166.4 | 85.4 | 118.7 | 104.6 | 63.9 |
| Transportation & Merchandise Insurance | −59.0 | −61.0 | −62.7 | −32.6 | −27.3 |
| Travel | −22.2 | −27.0 | −30.0 | −16.2 | −16.3 |
| Investment Income | −32.0 | −33.9 | −40.4 | −18.8 | −24.8 |
| Other | −51.8 | −55.8 | −68.6 | −30.4 | −34.0 |
| Transfers: Private | .2 | − 4.8 | − 4.0 | − 2.0 | − 1.9 |
| Central Gov't | .4 | 1.0 | .4 | .8 | .2 |
| Capital n.i.e.: | | | | | |
| Private | 10.0 | − 4.2 | .1 | − .6 | − 1.8 |
| Central Government | − 6.0 | 31.2 | 27.3 | 8.8 | 28.8 |
| Comm. Banks: Assets | 7.6 | 6.4 | 9.0 | − 7.2 | − 3.1 |
| Liabilities | 1.4 | − 8.0 | 1.7 | − 2.0 | 1.5 |
| Monetary Authorities | −16.0 | 71.4 | 45.4 | −11.8 | 17.5 |
| Monetary Gold | — | — | — | — | — |
| IMF Accounts | — | 44.6 | — | — | 21.0 |
| Foreign Assets | −16.4 | 26.8 | 1.3 | −11.4 | −19.2 |
| Liabilities | .4 | — | 44.1 | − .4 | 15.7 |
| Net Errors and Omissions | 1.0 | − .8 | 3.1 | 7.4 | − 2.7 |

*Note:* Minus sign indicates debit.

## 34. GOVERNMENT REVENUE AND EXPENDITURE

| | Type of account | Total revenue | Total expenditure | Balance |
|---|---|---|---|---|
| **AFGHANISTAN** *(million afghanis)* | | | | |
| 1962/63 | A | 2,181 | 5,561 | —3,380 |
| 1963/64 | A | 3,109 | 7,094 | —3,985 |
| 1964/65 | A | 3,230 | 7,406 | —4,176 |
| 1965/66 | A | 4,146 | 8,252 | —4,106 |
| **BRUNEI** *(million Malaysian dollars)* | | | | |
| 1963 | A | 109.1 | 56.9 | +52.2 |
| 1964 | A | 129.4 | 75.5 | +53.9 |
| 1965 | RE | 116.8 | 128.5 | —11.7 |
| 1966 | DE | 99.0 | 193.1 | —94.1 |
| **BURMA** *(million kyats)* | | | | |
| 1964/65 | A | 1,954 | 1,427 | +527 |
| 1965/66 | A | 1,825 | 1,410 | +415 |
| 1966/67 | RE | 1,418 | 1,464 | —46 |
| 1967/68 | DE | 1,825 | 1,593 | +232 |
| **CAMBODIA** *(million riels)* | | | | |
| 1964 | E | 4,475 | 6,245 | —1,770 |
| 1965 | E | 4,130 | 6,100 | —1,970 |
| 1966 | E | 4,931 | 7,000 | —2,069 |
| 1967 | E | 5,440 | 6,686 | —1,246 |
| **CEYLON** *(million rupees)* | | | | |
| 1963/64 | A | 1,525 | 2,021 | —496 |
| 1964/65 | A | 1,570 | 2,053 | —483 |
| 1965/66 | A | 1,677 | 2,127 | —450 |
| 1966/67 | RE | 1,655 | 2,514 | —859 |
| 1967/68 | DE | 1,817 | 2,629 | —812 |
| **CHINA** (Taiwan) *(million new Taiwan dollars)* | | | | |
| 1964/65 | A | 10,028 | 11,688 | —1,660 |
| 1965/66 | A | 13,158 | 15,010 | —1,852 |
| 1966/67 | DE | 12,315 | 15,355 | —3,040 |
| 1967/68 | DE | 12,660 | 16,422 | —3,762 |
| **HONG KONG** *(million Hong Kong dollars)* | | | | |
| 1964/65 | A | 1,457 | 1,450 | +7 |
| 1965/66 | A | 1,571 | 1,750 | —179 |
| 1966/67 | A | 1,745 | 1,764 | —19 |
| 1967/68 | RE | 1,803 | 1,769 | +34 |
| 1968/69 | DE | 1,863 | 1,950 | —87 |
| **INDIA** *(million rupees)* | | | | |
| Central Government | | | | |
| 1964/65 | A | 24,066 | 35,781 | —11,715 |
| 1965/66 | A | 28,536 | 40,897 | —12,361 |
| 1966/67 | RE | 29,913 | 49,664 | —19,751 |
| 1967/68 | DE | 33,608 | 46,433 | —12,825 |
| States | | | | |
| 1964/65 | A | 16,350 | 22,732 | —6,382 |
| 1965/66 | A | 18,503 | 27,213 | —8,710 |
| 1966/67 | RE | 21,446 | 29,705 | —8,259 |
| 1967/68 | DE | 24,062 | 31,256 | —7,194 |
| **INDONESIA**[r] *(million new rupiah)* | | | | |
| 1962 | A | 70.9 | 122.1 | —51.2 |
| 1963 | A | 161.6 | 329.8 | —168.2 |
| 1964 | PR | 282.1 | 681.3 | —399.2 |
| 1965 | PR | 923.4 | 2,526.3 | —1,602.9 |
| 1966 | PR | 13,680 | 28,610 | —14,930 |
| 1967 | DE | 51,800 | 68,870 | —17,070 |
| 1968 | DE | 109,986 | 142,646 | —32,660 |
| **IRAN** *(million rials)* | | | | |
| 1964/65 | PR | 69,119 | 74,725 | —5,606 |
| 1965/66 | DE | 89,111 | 102,266 | —13,155 |
| 1966/67 | DE | 100,806 | 122,859 | —22,053 |
| 1967/68 | DE | 113,500 | 140,800 | —27,300 |
| **KOREA, Republic of** *(billion won)* | | | | |
| 1964 | A | 58.12 | 87.79 | —29.67 |
| 1965 | A | 78.23 | 106.11 | —27.88 |
| 1966 | DE | 120.76 | 171.11 | —50.35 |
| 1967 | DE | 154.73 | 195.53 | —40.80 |
| **LAOS** *(million kip)* | | | | |
| 1963/64 | DE | 932 | 2,781 | —1,849 |
| 1964/65 | DE | 2,403 | 3,155 | —752 |
| 1965/66 | DE | 3,649 | 14,451 | —10,802 |
| **MALAYSIA** *(million Malaysian dollars)* | | | | |
| 1964 | A | 1,394 | 1,831 | —437 |
| 1965 | A | 1,533 | 2,090 | —557 |
| 1966 | RE | 1,596 | 2,318 | —722 |
| 1967 | DE | 1,744 | 2,534 | —790 |
| **NEPAL** *(million rupees)* | | | | |
| 1964/65 | A | 192.3 | 349.9 | —157.6 |
| 1965/66 | RE | 244.1 | 441.5 | —197.4 |
| 1966/67 | DE | 345.4 | 546.2 | —200.8 |
| **PAKISTAN** *(million rupees)* | | | | |
| 1964/65 | A | 3,335 | 5,108 | —1,773 |
| 1965/66 | A | 3,668 | 6,417 | —2,749 |
| 1966/67 | RE | 4,378 | 7,168 | —2,790 |
| 1967/68 | DE | 5,055 | 8,699 | —3,644 |
| **PHILIPPINES** *(million pesos)* | | | | |
| 1964/65 | A | 2,092 | 2,259 | —167 |
| 1965/66 | A | 2,063 | 2,357 | —294 |
| 1966/67 | DE | 2,492 | 2,572 | —80 |
| 1967/68 | DE | 2,866 | 2,897 | —31 |
| **SINGAPORE** *(million Singapore dollars)* | | | | |
| 1964 | A | 432.9 | 579.6 | —146.7 |
| 1965 | A | 507.5 | 643.8 | —136.3 |
| 1966 | A | 562.9 | 676.9 | —114.0 |
| 1967 | DE | 561.0 | 752.8 | —191.8 |
| 1968 | DE | 618.0 | 864.5 | —246.5 |
| **THAILAND** *(million baht)* | | | | |
| 1964/65 | A | 11,066 | 11,915 | —849 |
| 1965/66 | A | 12,513 | 13,558 | —1,045 |
| 1966/67 | DE | 13,321 | 17,941 | —4,620 |
| 1967/68 | DE | 16,080 | 21,130 | —5,050 |
| **VIET-NAM, Republic of** *(million piastres)* | | | | |
| 1964 | RE | 12,815 | 37,110 | —24,295 |
| 1965 | RE | 13,570 | 51,270 | —37,700 |
| 1966 | DE | 18,000 | 55,000 | —37,000 |
| **AUSTRALIA** *(million Australian dollars)* | | | | |
| 1962/63 | A | 3,087 | 3,158 | —71 |
| 1963/64 | A | 3,455 | 3,482 | —27 |
| 1964/65 | A | 4,066 | 3,858 | +208 |
| 1965/66 | A | 4,473 | 4,359 | +114 |
| 1966/67 | A | 4,739 | 4,865 | —126 |
| **JAPAN** *(billion yen)* | | | | |
| 1964/65 | A | 4,063 | 3,881 | +182 |
| 1965/66 | A | 4,465 | 4,465 | — |
| 1966/67 | RE | 4,993 | 5,493 | —500 |
| 1967/68 | DE | 5,641 | 6,134 | —493 |
| **NEW ZEALAND** *(million New Zealand dollars)* | | | | |
| 1963/64 | A | 830.8 | 985.0 | —164.2 |
| 1964/65 | A | 946.3 | 1,084.3 | —138.0 |
| 1965/66 | A | 1,025.1 | 1,174.5 | —149.4 |
| 1966/67 | E | 1,091.4 | 1,284.9 | —193.5 |

## 35. MAJOR COMPONENTS OF TAX REVENUE

| | Type of account | Total revenue | Tax revenue | Tax on income and wealth | Land tax | Customs duties | | | Transaction and consumption taxes | Licences, stamp duties, registration fees, etc. | Other tax revenue |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Total | Import duties | Export duties | | | |
| **AFGHANISTAN** *(million afghanis)* | | | | | | | | | | | |
| 1962/63 | A | 2,181 | 1,904 | 274 | 46 | 958 | 883 | 75 | 536 | 50 | 40 |
| 1963/64 | A | 3,109 | 2,565 | 326 | 50 | 1,021 | 945 | 76 | 1,085 | 62 | 21 |
| 1964/65 | A | 3,230 | 2,644 | 404 | 44 | 1,175 | 1,095 | 80 | 899 | 72 | 50 |
| 1965/66 | A | 4,146 | 3,473 | 493 | 82 | 1,268 | 1,129 | 139 | 1,516 | 69 | 45 |
| **BRUNEI** *(million Malaysian dollars)* | | | | | | | | | | | |
| 1964 | A | 129.4 | 55.0 | 50.1 | — | 4.6 | 4.5 | 0.1 | — | 0.3 | — |
| 1965 | RE | 116.8 | 44.6 | 39.0 | — | 5.2 | 5.1 | 0.1 | — | 0.3 | 0.1 |
| 1966 | DE | 99.0 | 24.8 | 19.7 | — | 4.7 | 4.6 | 0.1 | — | 0.4 | — |
| **BURMA** *(million kyats)* | | | | | | | | | | | |
| 1964/65 | A | 1,954 | 1,799 | 1,011 | 35 | 405 | ... | ... | 235 | 84 | 29 |
| 1965/66 | A | 1,825 | 1,637 | 1,027 | 35 | 226 | ... | ... | 303 | 32 | 14 |
| 1966/67 | RE | 1,418 | 1,247 | 632 | 40 | 244 | ... | ... | 292 | 25 | 14 |
| 1967/68 | DE | 1,825 | 1,622 | 686 | 43 | 379 | ... | ... | 480 | 20 | 14 |
| **CAMBODIA** *(million riels)* | | | | | | | | | | | |
| 1964 | E | 4,475 | 3,428 | 499 | 12 | 996 | 886 | 110 | 1,284 | 179 | 458 |
| 1965 | E | 4,130 | 3,574 | 503 | 12 | 932 | 831 | 101 | 1,393 | 180 | 554 |
| 1966 | E | 4,931 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| 1967 | E | 5,440 | ... | ... | ... | ... | ... | ... | ... | ... | ... |
| **CEYLON** *(million rupees)* | | | | | | | | | | | |
| 1963/64 | A | 1,525 | 1,418 | 334 | 3 | 759 | 482 | 277 | 238 | 42 | 42 |
| 1964/65 | A | 1,570 | 1,465 | 340 | 2 | 749 | 436 | 313 | 279 | 76 | 19 |
| 1965/66 | A | 1,677 | 1,411 | 305 | 1 | 732 | 477 | 255 | 318 | 38 | 17 |
| 1966/67 | RE | 1,655 | 1,427 | 290 | 1 | 730 | 496 | 234 | 354 | 32 | 20 |
| 1967/68 | DE | 1,817 | 1,555 | 296 | — | 816 | 580 | 236 | 388 | 32 | 23 |
| **HONG KONG** *(million Hong Kong dollars)* | | | | | | | | | | | |
| 1963/64 | A | 1,344 | 834 | 436 | — | 199 | 199 | — | 51 | 111 | 37 |
| 1964/65 | A | 1,457 | 977 | 510 | — | 228 | 228 | — | 57 | 130 | 52 |
| 1965/66 | A | 1,571 | 1,065 | 615 | — | 233 | 233 | — | 58 | 124 | 35 |
| 1966/67 | A | 1,745 | 1,225 | 713 | — | 288 | 288 | — | 61 | 127 | 36 |
| 1967/68 | RE | 1,803 | 1,275 | 784 | — | 285 | 285 | — | 64 | 113 | 29 |
| 1968/69 | DE | 1,863 | 1,322 | 803 | — | 303 | 303 | — | 67 | 117 | 32 |
| **INDIA** *(million rupees)* | | | | | | | | | | | |
| Central Government | | | | | | | | | | | |
| 1964/65 | A | 24,066 | 15,628 | 4,688 | — | 3,975 | 3,909 | 66 | ... | ... | 6,965 |
| 1965/66 | A | 28,536 | 17,847 | 4,681 | — | 5,390 | 5,369 | 21 | ... | ... | 7,776 |
| 1966/67 | RE | 29,913 | 19,286 | 5,046 | — | 5,960 | 5,843 | 117 | ... | ... | 8,280 |
| 1967/68 | DE | 33,608 | 21,608 | 5,230 | — | 6,431 | ... | ... | ... | ... | 9,947 |
| States | | | | | | | | | | | |
| 1964/65 | A | 16,350 | 10,224 | 1,448 | 1,198 | — | — | — | 5,887 | 1,278 | 413 |
| 1965/66 | A | 18,503 | 11,178 | 1,446 | 1,119 | — | — | — | 6,748 | 1,383 | 482 |
| 1966/67 | RE | 21,446 | 12,916 | 1,568 | 879 | — | — | — | 8,434 | 1,513 | 522 |
| 1967/68 | DE | 24,062 | 14,417 | 1,577 | 987 | — | — | — | 9,651 | 1,601 | 601 |
| **INDONESIA**[r] *(million new rupiah)* | | | | | | | | | | | |
| 1962 | A | 70.9 | 52.5 | 19.0 | — | 4.2 | 4.2 | — | 15.8 | ... | 13.5 |
| 1963 | A | 161.6 | 146.4 | 35.3 | — | 12.5 | 12.5 | — | 36.8 | ... | 61.8 |
| 1964 | PR | 282.1 | 246.3 | 71.6 | — | 33.9 | 33.9 | — | 67.1 | ... | 73.7 |
| 1965 | PR | 923.4 | 873.1 | 306.4 | — | 51.7 | 51.7 | — | 260.7 | ... | 254.3 |
| 1966 | PR | 13,680 | 10,850 | 2,410 | — | 1,340 | 1,340 | — | 3,950 | ... | 3,150 |
| 1967 | DE | 51,800 | 47,800 | 8,470 | — | 9,060 | 9,060 | — | 15,290 | ... | 14,980 |
| 1968 | DE | 109,986 | 103,155 | 43,000 | — | 36,855 | 36,855 | — | ... | ... | 23,300 |
| **IRAN** *(million rials)* | | | | | | | | | | | |
| 1963/64 | PR | 63,984 | 55,028 | 5,585 | ... | 11,271 | 11,271 | — | ... | ... | 38,172 |
| 1964/65 | PR | 69,119 | 63,847 | 5,562 | ... | 12,141 | 12,141 | — | ... | ... | 46,144 |
| 1965/66 | DE | 89,111 | 83,075 | 6,665 | ... | 13,450 | 13,450 | — | ... | ... | 62,960 |
| 1966/67 | DE | 100,806 | 78,860 | 8,020 | ... | 13,928 | 13,928 | — | ... | ... | 56,912 |
| 1967/68 | DE | 113,500 | 92,900 | 10,100 | ... | 17,300 | 17,300 | — | ... | ... | 65,500 |
| **KOREA, Republic of** *(billion won)* | | | | | | | | | | | |
| 1964 | A | 58.12 | 41.95 | 16.08 | — | 8.20 | 8.20 | ... | 10.79 | 1.77 | 5.11 |
| 1965 | A | 78.23 | 58.23 | 21.93 | — | 12.54 | 12.54 | ... | 17.72 | 2.09 | 4.15 |
| 1966 | DE | 120.76 | 90.70 | 34.96 | — | 16.64 | 16.64 | ... | 26.90 | 3.68 | 8.52 |
| 1967 | DE | 154.73 | 116.10 | 50.12 | — | 18.37 | 18.37 | ... | 33.26 | 4.20 | 10.15 |

## 35. MAJOR COMPONENTS OF TAX REVENUE *(Cont'd)*

| | Type of account | Total revenue | Tax revenue | Tax on income and wealth | Land tax | Customs duties | | | Transaction and consumption taxes | Licences, stamp duties, registration fees, etc. | Other tax revenue |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Total | Import duties | Export duties | | | |
| **LAOS** *(million kip)* | | | | | | | | | | | |
| 1963/64 . . . . | DE | 932 | 856 | 59 | 2 | 483 | 483 | — | 186 | 12 | 114 |
| 1964/65 . . . . | DE | 2,403 | 2,248 | 163 | 19 | 1,497 | . . . | . . . | 449 | 40 | 80 |
| 1965/66 . . . . | DE | 3,649 | 3,380 | 258 | 47 | 2,108 | . . . | . . . | 720 | 43 | 204 |
| **MALAYSIA** *(million Malaysian dollars)* | | | | | | | | | | | |
| 1964 . . . . . | A | 1,394 | 1,049 | 270 | — | 567 | 367 | 200 | 90 | 108 | 14 |
| 1965 . . . . . | A | 1,533 | 1,219 | 328 | — | 628 | 387 | 241 | 114 | 133 | 16 |
| 1966 . . . . . | RE | 1,596 | 1,350 | 395 | — | 601 | 381 | 220 | 178 | 156 | 29 |
| 1967 . . . . . | DE | 1,744 | 1,503 | 488 | — | 637 | 471 | 166 | 176 | 182 | 20 |
| **NEPAL** *(million rupees)* | | | | | | | | | | | |
| 1964/65 . . . . | A | 192.3 | 151.3 | 4.8 | 45.5 | 30.8 | 20.8 | 10.0 | 62.7 | 2.7 | 4.8 |
| 1965/66 . . . . | RE | 244.1 | 162.2 | 7.0 | 46.0 | 43.0 | 28.0 | 15.0 | 61.9 | 2.8 | 1.5 |
| 1966/67 . . . . | DE | 345.4 | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . | . . . |
| **PAKISTAN** *(million rupees)* | | | | | | | | | | | |
| 1964/65 . . . . | A | 3,335 | 2,356 | 347 | — | 1,030 | . . . | . . . | 966 | — | 13 |
| 1965/66 . . . . | A | 3,668 | 2,506 | 273 | — | 1,051 | . . . | . . . | 1,168 | — | 14 |
| 1966/67 . . . . | RE | 4,378 | 3,143 | 256 | — | 1,219 | . . . | . . . | 1,658 | — | 10 |
| 1967/68 . . . . | DE | 5,055 | 3,698 | 353 | — | 1,424 | . . . | . . . | 1,892 | — | 29 |
| **PHILIPPINES** *(million pesos)* | | | | | | | | | | | |
| 1964/65 . . . . | A | 2,092 | 1,752 | 477 | — | 397 | 397 | — | 361 | 464 | 53 |
| 1965/66 . . . . | A | 2,063 | 1,774 | 487 | — | 387 | 387 | — | 369 | 483 | 48 |
| 1966/67 . . . . | DE | 2,492 | 2,161 | 577 | — | 473 | 473 | — | 439 | 618 | 54 |
| 1967/68 . . . . | DE | 2,866 | 2,495 | 647 | — | 545 | 545 | — | 486 | 752 | 65 |
| **SINGAPORE** *(million Singapore dollars)* | | | | | | | | | | | |
| 1964 . . . . . | A | 432.9 | 335.6 | 177.2 | — | 119.4 | 119.4 | — | 36.5 | 2.4 | 0.1 |
| 1965 . . . . . | A | 507.5 | 394.2 | 191.3 | — | 144.5 | 144.5 | — | 43.3 | 2.5 | 12.6 |
| 1966 . . . . . | A | 562.9 | 437.9 | 227.7 | — | 164.8 | 164.8 | — | 42.1 | 1.9 | 1.4 |
| 1967 . . . . . | DE | 561.0 | 438.7 | 225.1 | — | 137.4 | 137.4 | — | 73.7 | 1.7 | 0.8 |
| 1968 . . . . . | DE | 618.0 | 465.3 | 246.7 | — | 129.3 | 129.3 | — | 85.8 | 2.7 | 0.8 |
| **THAILAND** *(million baht)* | | | | | | | | | | | |
| 1964/65 . . . . | A | 11,066 | 9,908 | 1,238 | — | 3,159 | 2,779 | 380 | 3,833 | 182 | 1,496 |
| 1965/66 . . . . | A | 12,513 | 11,075 | 1,388 | — | 3,596 | 3,200 | 396 | 4,538 | 229 | 1,324 |
| 1966/67 . . . . | DE | 13,321 | 11,814 | 1,466 | — | 3,606 | 3,235 | 371 | 5,296 | 208 | 1,238 |
| 1967/68 . . . . | DE | 16,080 | 14,461 | 1,816 | — | 4,050 | 3,733 | 317 | 6,467 | 246 | 1,882 |
| **VIET-NAM, Republic of** *(million piastres)* | | | | | | | | | | | |
| 1964 . . . . . | RE | 12,815 | 10.591 | 1,014 | 193 | 4,680 | 4,130 | 550 | 3,035 | 850 | 819 |
| 1965 . . . . . | RE | 13,570 | 11,561 | 914 | 160 | 5,350 | 4,900 | 450 | 3,342 | 905 | 890 |
| 1966 . . . . . | DE | 18,000 | 15,276 | 974 | 165 | 7,253 | 6,803 | 450 | 4,035 | 1,050 | 1,799 |
| **AUSTRALIA** *(million Australian dollars)* | | | | | | | | | | | |
| 1964/65 . . . . | A | 4,066 | 3785 | 2,490 | 2 | 270 | 268 | 2 | 994 | — | 29 |
| 1965/66 . . . . | A | 4,473 | 4,182 | 2,748 | 2 | 273 | 271 | 2 | 1,122 | — | 37 |
| 1966/67 . . . . | A | 4,739 | 4,453 | 2,946 | 2 | 277 | 275 | 2 | 1,188 | — | 40 |
| **JAPAN** *(billion yen)* | | | | | | | | | | | |
| 1964/65 . . . . | A | 4,063 | 3,790 | 2,394 | — | 220 | . . . | . . . | 916 | 78 | 182 |
| 1965/66 . . . . | A | 4,465 | 4,151 | 2,683 | — | 222 | . . . | . . . | 910 | 83 | 253 |
| 1966/67 . . . . | RE | 4,993 | 4,610 | 3,026 | — | 256 | . . . | . . . | 1,011 | 95 | 222 |
| 1967/68 . . . . | DE | 5,641 | 5,204 | 3,432 | — | 242 | . . . | . . . | 1,142 | 121 | 267 |
| **NEW ZEALAND** *(million New Zealand dollars)* | | | | | | | | | | | |
| 1961/62 . . . . | A | 785.3 | 716.4 | 483.2 | 4.0 | 108.8 | 108.8 | — | 51.2 | 17.8 | 51.6 |
| 1962/63 . . . . | A | 757.5 | 683.0 | 454.4 | 2.4 | 103.8 | 103.8 | — | 52.4 | 17.6 | 52.2 |
| 1963/64 . . . . | A | 830.8 | 741.7 | 488.0 | 2.3 | 111.6 | 111.6 | — | 64.2 | 18.8 | 56.8 |
| 1964/65 . . . . | A | 946.3 | 843.6 | 568.2 | 2.6 | 114.4 | 114.4 | — | 77.0 | 20.4 | 61.2 |
| 1965/66 . . . . | A | 1,025.1 | 917.4 | 628.2 | 3.2 | 121.6 | 121.6 | — | 76.6 | 22.0 | 65.8 |
| 1966/67 . . . . | E | 1,091.4 | 988.2 | 687.5 | 3.5 | 126.8 | 126.8 | — | 78.9 | 21.8 | 70.0 |

## 36. MAJOR COMPONENTS OF GOVERNMENT EXPENDITURE

| | Type of account | Total expenditure | CURRENT EXPENDITURE | | | | | Investment | Loans and advances (net) |
|---|---|---|---|---|---|---|---|---|---|
| | | | Defence | Economic services | Social services | Contributions to provincial and local gov'ts | Other current expenditure | | |
| AFGHANISTAN *(million afghanis)* | | | | | | | | | |
| 1962/63 | A | 5,561 | 693 | 167 | 311 | ... | 592 | 3,798 | ... |
| 1963/64 | A | 7,094 | 711 | 213 | 420 | ... | 972 | 4,778 | ... |
| 1964/65 | A | 7,406 | 664 | 213 | 515 | ... | 1,044 | 4,970 | ... |
| 1965/66 | E | 8,252 | ... | 230 | 600 | ... | 1,908 | 5,514 | ... |
| BRUNEI *(million Malaysian dollars)* | | | | | | | | | |
| 1964 | A | 75.5 | 8.7 | 7.1 | 12.7 | — | 22.6 | 24.4 | |
| 1965 | RE | 128.5 | 25.7 | 10.5 | 17.4 | — | 27.0 | 47.9 | |
| 1966 | DE | 193.1 | 34.4 | 15.0 | 20.7 | — | 32.1 | 90.9 | |
| BURMA *(million kyats)* | | | | | | | | | |
| 1964/65 | A | 1,427 | 512 | 122 | 230 | 14 | 342 | 220 | — 13 |
| 1965/66 | A | 1,410 | 508 | 127 | 271 | 10 | 299 | 209 | — 14 |
| 1966/67 | RE | 1,464 | 514 | 136 | 299 | 12 | 322 | 188 | — 7 |
| 1967/68 | DE | 1,593 | 535 | 146 | 355 | 12 | 353 | 203 | — 11 |
| CAMBODIA *(million riels)* | | | | | | | | | |
| 1964 | E | 6,245 | 1,963 | 282 | 1,479 | ... | 2,161 | 343 | 17 |
| 1965 | E | 6,100 | 1,846 | 323 | 1,714 | ... | 1,353 | 528 | 336 |
| 1966 | E | 7,000 | 1,526 | 296 | 1,806 | ... | ... | 506 | ... |
| 1967 | E | 6,686 | 1,782 | ... | ... | ... | ... | ... | ... |
| CEYLON$^r$ *(million rupees)* | | | | | | | | | |
| 1963/64 | A | 2,021 | 59 | 495 | 502 | 40 | 430 | 482 | 13 |
| 1964/65 | A | 2,053 | 61 | 419 | 535 | 38 | 439 | 540 | 21 |
| 1965/66 | A | 2,127 | 64 | 445 | 562 | 52 | 516 | 456 | 32 |
| 1966/67 | RE | 2,514 | 71 | 477 | 575 | 50 | 546 | 795 | ... |
| 1967/68 | DE | 2,629 | 74 | 441 | 582 | 50 | 704 | 778 | ... |
| HONG KONG *(million Hong Kong dollars)* | | | | | | | | | |
| 1963/64 | A | 1,313 | 34 | 90 | 325 | — | 214 | 581 | 69 |
| 1964/65 | A | 1,450 | 34 | 106 | 394 | — | 253 | 595 | 68 |
| 1965/66 | A | 1,750 | 65 | 124 | 464 | — | 255 | 801 | 41 |
| 1966/67 | A | 1,764 | 67 | 132 | 527 | — | 296 | 713 | 29 |
| 1967/68 | RE | 1,769 | 90 | 148 | 573 | — | 363 | 555 | 40 |
| 1968/69 | DE | 1,950 | 92 | 161 | 647 | — | 402 | 586 | 62 |
| INDIA *(million rupees)* | | | | | | | | | |
| Central Government | | | | | | | | | |
| 1964/65 | A | 35,781 | 8,058 | 1,999 | | 2,671 | 4,939 | 8,500 | 9,614 |
| 1965/66 | A | 40,897 | 8,848 | 2,149 | | 3,288 | 5,285 | 8,713 | 12,614 |
| 1966/67 | RE | 49,664 | 9,423 | 2,362 | | 4,083 | 8,895 | 10,646 | 14,255 |
| 1967/68 | DE | 46,433 | 9,694 | 2,912 | | 4,556 | 8,531 | 8,388 | 12,352 |
| States | | | | | | | | | |
| 1964/65 | A | 22,732 | — | 3,638 | 4,486 | — | 6,717 | 5,017 | 2,874 |
| 1965/66 | A | 27,213 | — | 4,461 | 5,216 | — | 7,892 | 5,393 | 4,251 |
| 1966/67 | RE | 29,705 | — | 4,761 | 5,920 | — | 9,981 | 5,5[illegible]8 | 3,485 |
| 1967/68 | DE | 31,256 | — | 5,378 | 7,007 | — | 10,394 | 5,944 | 2,533 |
| INDONESIA$^r$ *(million new rupiah)* | | | | | | | | | |
| 1962 | A | 122.1 | 59.8 | 2.8 | 8.9 | — | 18.2 | 32.4 | — |
| 1963 | A | 329.8 | 97.9 | 53.6 | 23.0 | — | 47.0 | 108.3 | — |
| 1964 | PR | 681.3 | 195.2 | 40.7 | 41.4 | — | 144.9 | 259.1 | — |
| 1965 | PR | 2,526.3 | 1,009.1 | 193.8 | 108.6 | — | 354.6 | 860.2 | — |
| 1966 | PR | 28,610 | ... | ... | ... | ... | ... | 2,130 | ... |
| 1967 | DE | 68,870 | ... | ... | ... | ... | ... | 12,460 | ... |
| 1968 | DE | 142,646 | ... | ... | ... | ... | ... | 45,480 | ... |
| IRAN *(million rials)* | | | | | | | | | |
| 1963/64 | PR | 64,151 | 14,604 | 608 | ... | — | 35,083 | 12,754 | 1,102 |
| 1964/65 | PR | 74,725 | 17,163 | 347 | ... | — | 37,283 | 14,660 | 5,272 |
| 1965/66 | DE | 102,266 | 22,410 | 328 | ... | — | 40,994 | 28,131 | 10,403 |
| 1966/67 | DE | 122,859 | 30,219 | 44,432 | | | | 48,208 | |
| 1967/68 | DE | 140,800 | 36,300 | 53,400 | | | | 51,100 | |
| KOREA, Republic of *(billion won)* | | | | | | | | | |
| 1964 | A | 87.79 | 24.93 | 2.69 | 17.32 | 2.32 | 11.89 | 21.64 | 7.00 |
| 1965 | A | 106.11 | 29.88 | 3,72 | 19.99 | 3.02 | 13.76 | 27.35 | 8.39 |
| 1966 | RE | 171.11 | 41.07 | 5.57 | 28.13 | 8.76 | 17.56 | 50.15 | 19.87 |
| 1967 | DE | 195.53 | 48.67 | 7.11 | 34.66 | 15.79 | 22.92 | 50.54 | 15.84 |

## 36. MAJOR COMPONENTS OF GOVERNMENT EXPENDITURE *(Cont'd)*

| | Type of account | Total expenditure | CURRENT EXPENDITURE | | | | | Investment | Loans and advances (net) |
|---|---|---|---|---|---|---|---|---|---|
| | | | Defence | Economic services | Social services | Contributions to provincial and local gov'ts | Other current expenditure | | |
| **LAOS** *(million kip)* | | | | | | | | | |
| 1963/64 | DE | 2,781 | — | ... | ... | ... | 1,766 | 1,015 | ... |
| 1964/65 | DE | 3,155 | 77 | 98 | 774 | ... | 1,019 | 1,187 | ... |
| 1965/66 | DE | 14,451 | 8,437 | 173 | 894 | ... | 2,752 | 2,195 | ... |
| **MALAYSIA** *(million Malaysian dollars)* | | | | | | | | | |
| 1964 | A | 1,831 | 227 | 67 | 381 | 122 | 442 | 592 | |
| 1965 | A | 2,090 | 298 | 69 | 426 | 128 | 534 | 635 | |
| 1966 | RE | 2,318 | 364 | 74 | 459 | 141 | 530 | 750 | |
| 1967 | DE | 2,534 | 362 | 81 | 508 | 146 | 566 | 871 | |
| **NEPAL** *(million rupees)* | | | | | | | | | |
| 1964/65 | A | 349.9 | 28.2 | 14.0 | 12.1 | ... | 63.7 | 231.9 | ... |
| 1965/66 | RE | 441.5 | 29.2 | 14.9 | 14.2 | ... | 94.1 | 289.1 | ... |
| 1966/67 | DE | 546.2 | ... | ... | ... | ... | ... | 376.4 | ... |
| **PAKISTAN** *(million rupees)* | | | | | | | | | |
| 1964/65 | A | 5,108 | 1,263 | ... | 48 | 35 | 1,389 | 801 | 1,572 |
| 1965/66 | A | 6,417 | 2,855 | ... | 36 | 45 | 1,285 | 1,102 | 1,094 |
| 1966/67 | RE | 7,168 | 2,250 | ... | 52 | 39 | 1,632 | 1,188 | 2,007 |
| 1967/68 | DE | 8,699 | 2,180 | ... | 60 | 40 | 2,179 | 1,560 | 2,680 |
| **PHILIPPINES** *(million pesos)* | | | | | | | | | |
| 1964/65 | A | 2,259 | 296 | 420 | 738 | 229 | 327 | 222 | 27 |
| 1965/66 | A | 2,357 | 324 | 386 | 838 | 213 | 373 | 180 | 43 |
| 1966/67 | DE | 2,572 | 379 | 413 | 815 | 271 | 252 | 341 | 101 |
| 1967/68 | DE | 289.7 | 382 | 443 | 928 | 296 | 361 | 380 | 107 |
| **SINGAPORE** *(million Singapore dollars)* | | | | | | | | | |
| 1964 | A | 579.6 | — | 15.7 | 204.2 | — | 64.3 | 295.4 | — |
| 1965 | A | 643.8 | 0.1 | 28.1 | 217.0 | — | 90.4 | 308.2 | — |
| 1966 | A | 676.9 | 12.0 | 22.3 | 235.5 | — | 181.7 | 125.4 | 100.0 |
| 1967 | DE | 752.8 | 46.1 | 28.0 | 257.0 | — | 204.3 | 133.7 | 83.7 |
| 1968 | DE | 964.5 | 63.6 | 31.1 | 273.3 | — | 183.9 | 193.6 | 119.0 |
| **THAILAND** *(million baht)* | | | | | | | | | |
| 1964/65 | A | 11,915 | 1,877 | 1,105 | 2,588 | 309 | 2,821 | 3,071 | 144 |
| 1965/66 | A | 13,558 | 2,055 | 1,278 | 2,861 | 301 | 3,184 | 3,750 | 129 |
| 1966/67 | DE | 17,941 | 2,516 | 1,779 | 3,587 | 354 | 4,247 | 5,328 | 130 |
| 1967/68 | DE | 21,130 | 3,262 | 1,728 | 3,768 | 328 | 5,578 | 6,326 | 140 |
| **VIET-NAM, Republic of** *(million piastres)* | | | | | | | | | |
| 1964 | RE | 37,110 | 18,868 | 4,491 | 3,205 | ... | 5,691 | 4,855 | ... |
| 1965 | RE | 51,270 | 29,634 | 6,771 | 5,111 | ... | 3,304 | 6,450 | ... |
| 1966 | DE | 55,000 | 33,898 | 4,149 | 6,629 | ... | 6,268 | 4,056 | ... |
| **AUSTRALIA** *(million Australian dollars)* | | | | | | | | | |
| 1964/65 | A | 3,858 | 539 | 93 | 1,183 | 959 | 455 | 409 | 220 |
| 1965/66 | A | 4,359 | 722 | 103 | 1,264 | 1,077 | 561 | 425 | 207 |
| 1966/67 | A | 4,865 | 840 | 115 | 1,370 | 1,183 | 642 | 469 | 246 |
| **JAPAN** *(billion yen)* | | | | | | | | | |
| 1964/65 | A | 3,881 | 281 | 142 | 893 | 1,077 | 473 | 1,006 | 9 |
| 1965/66 | A | 4,465 | 307 | 173 | 1,073 | 1,272 | 529 | 1,102 | 9 |
| 1966/67 | RE | 5,493 | 345 | 276 | 1,304 | 1,362 | 659 | 1,536 | 11 |
| 1967/68 | DE | 6,134 | 383 | 217 | 1,289 | 1,492 | 965 | 1,775 | 13 |
| **NEW ZEALAND** *(million New Zealand dollars)* | | | | | | | | | |
| 1961/62 | A | 903.8 | 52.2 | 54.4 | 358.0 | 69.2 | 124.4 | 154.6 | 91.0 |
| 1962/63 | A | 942.2 | 53.4 | 56.2 | 373.0 | 74.7 | 139.1 | 163.4 | 82.4 |
| 1963/64 | A | 995.0 | 55.8 | 58.6 | 393.8 | 81.0 | 158.4 | 183.6 | 63.8 |
| 1964/65 | A | 1,084.3 | 71.5 | 67.2 | 400.0 | 106.2 | 164.4 | 202.4 | 72.6 |
| 1965/66 | A | 1,174.5 | 78.8 | 74.8 | 422.6 | 119.8 | 178.0 | 230.2 | 70.3 |
| 1966/67 | E | 1,284.9 | 86.1 | 75.0 | 519.6 | 131.0 | 140.1 | 251.8 | 81.3 |

# FINANCE

## GENERAL NOTES:

(for tables 34 to 36)

A = Accounts, E = Estimates, DE = Draft estimates, RE = Revised estimates, AE = Approved estimates, PR = Provisional results.

Figures generally relate to central government transactions only unless otherwise stated.

In general, only the net results of public enterprises and fiscal monopolies are included; positive balances are shown under revenue and negative balances under expenditure. Currency and mint transactions are excluded. Interest charges to public enterprises and entities are included in revenue and not deducted from interest payments on the expenditure side.

### REVENUE

Total revenue: excluding proceeds from loans, other forms of borrowing, grants and aid, transfers from reserve funds, and counterpart funds.

Transaction and consumption taxes: excise duties, turnover taxes, sales taxes and entertainment duties.

### EXPENDITURE

Total expenditure: including current expenditure, capital outlays, and loans and advances (net) granted by the government but excludes debt redemption, contributions to sinking funds and transfers to reserve funds.

Defence: including defence capital outlay. Expenditure on military pensions is included in "other current expenditure".

Economic services: including current expenditure on agriculture, forests, industrial development, scientific and technical research, irrigation, public works, ports, lighthouses, commerce, planning, and price subsidies etc.

Social services: including current expenditure on education, health, social welfare, relief, etc.

Contributions to provincial and local governments: including contributions towards meeting current expenditures.

Investment: covers capital outlays of public works department, including maintenance, and of government enterprises and other departments and grants to provinces and local authorities for the same purposes.

Loans and advances (net): mainly granted to provinces, local authorities, public and private undertakings for capital outlay.

## COUNTRY NOTES:

### AFGHANISTAN

Total revenue: excluding commodity assistance.

Expenditure: including debt service. Defence: excluding foreign aid. Investment: development expenditure including foreign assistance for 1962/63 to 1965/66.

### BRUNEI

Expenditure: excluding developmental expenditure in 1961 and 1962.

### BURMA

Revenue: other tax revenue: including contributions from the State Marketing Boards. Japanese reparation receipts are excluded.

Expenditure: Contributions to provincial and local governments: including some capital expenditure.

### CAMBODIA

Economic services and social services: including capital expenditure. Investment: expenditure on public works and telecommunications only.

### CEYLON

Revenue: Tax on income and wealth: including pension contribution from government employees.

Expenditure: Economic services: including food subsidies.

### CHINA: TAIWAN

Revenue: includes proceeds from domestic loans, other forms of borrowing, grants and aid; and counterpart funds.

Expenditure: including some repayment of debt.

### INDIA

Central government: Revenue: excluding taxes transferred to the states.

Expenditure: excluding transactions of state trading schemes. Economic and social services: Social and economic developmental services. Investment: including capital transferred to displaced persons and minor amounts to private enterprises. Loans and advances (net): mostly to state governments, local governments, and government enterprises.

States: Total revenue: excluding loans but including grants received and taxes transferred from the central government.

Expenditure: Social services: expenditure on education and health only. Loans and advances (net): loans to municipalities, local bodies, etc.

### INDONESIA

All accounts are shown "gross" i.e. certain incomes directly related to the various expenditure items have not been deducted from expenditure.

Revenue: Other tax revenue: including foreign exchange levies, motor vehicle licence fees and others.

Expenditure: Economic services: including certain capital expenditure of Ministry of Economic Affairs and Ministry of Agriculture. Investment: covers total expenditure of Communication and Public Works and Energy, and financing services for 1962-1965; covers development expenditure for 1966-1968.

### IRAN

Land tax: included under tax on income and wealth. Other tax revenue: includes oil revenue, monopoly profits etc.

Expenditure: Economic services: subsidies for price and income stability. Investment: includes capital outlay of Plan Organization, and other direct capital outlay. Loans and advances (net): includes grants and loans to government enterprises and nationalized industries for capital purposes.

### KOREA, REPUBLIC OF

Figures represent transactions of the whole central government sector.

Revenue: Other tax revenue: including tax on foreign exchange.

Expenditure: Social Services: including transfers to local school authorities. Loans and advances (net): including purchases of ownership rights, and grants.

### LAOS

Expenditure: Defence: excluding considerable amounts of defence expenditures financed by foreign aid. Other current expenditure: includes a substantial amount of unforeseen expenditures, transportation expenses, etc. which could not be distributed. Investment: developmental expenditure.

### MALAYSIA

Figures relate to the Federal revenue and expenditure of Malaysia comprising East and West Malaysia and Singapore for 1964 and 1965, and excluding Singapore in 1966. The Federal shares of revenue and expenditure are based on the constitution in accordance with which Malaysia was established in September 1963, and the shares received from Singapore amounted to 120 and 88 million Malayan dollars in 1964 and 1965 respectively. Transactions of post and tele-communications are included on a gross basis.

Expenditure: Investment, loans and advances (net): public works, telecommunications, development expenditure and contributions to states.

### NEPAL

Expenditure: Investment: developmental expenditure.

### PAKISTAN

Revenue: excluding receipts from sales of foreign aid fund supplies. Total tax revenue: excluding taxes transferred to state governments.

Expenditure: including expenditures met from railway, postal development and other funds, excluding currency capital outlays and state trading schemes. Social services: expenditure on education and health only. Contributions to provincial and local governments: grants to states other than those met from funds, mainly for development but also general grants for meeting current expenditures.

### PHILIPPINES

Budget includes apportionment of internal revenue to provinces.

Revenue: Import duties: include excise duties on imports. Transaction and consumption taxes: consist of excise taxes on domestic products and forest products. Licences, stamp duties, registration fees, etc.: consist of licences and business taxes, and documentary stamps.

### SINGAPORE

Revenue: 1964 and 1965 figures include the share of revenue paid to Malaysian Government up to the day of separation of Singapore from Malaysia in August 1965.

Expenditure: Investment: public works and developmental expenditure.

### THAILAND

Budget includes gross expenditure and receipts of water supply.

Revenue: Tax on income and wealth; income tax and automobile taxes. Other tax revenue: including profits from rice export monopoly, aliens and gambling fees.

### VIET-NAM, REPUBLIC OF

Expenditure: Investment: developmental expenditure.

### AUSTRALIA

Figures relate to receipts and expenditure of the Commonwealth Government only.

### JAPAN

Central government excluding government trading and financial enterprises; figures represent transactions of General Account and some special accounts of an administrative character.

Revenue: Transaction and consumption taxes: excise and commodity taxes and profits of monopolies.

Expenditure: Other current expenditure: including capital transfers abroad (mainly reparations). Investment: including reserves in 1966/67 and 1967/68 amounting to 201 and 253 thousand million yen respectively.

### NEW ZEALAND

Data cover the whole central government sector including government enterprises and dependent administrative bodies. Tax on income and wealth: includes income tax, social security taxes and taxes on wealth. Customs duties: include excise duties. Transaction and consumption taxes: sales tax. Licences, stamp duties, registration fees, etc.: stamp duties and racing tax. Other tax revenue: mainly motor spirits taxation.

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